

In the High Court of New Zealand  
Wellington Registry

I Te Kōti Matua o Aotearoa  
Te Whanganui-a-Tara

CIV-2024-

Under Part 19 of the High Court Rules and Part 16 of the Companies Act 1993

In the matter of **Digital Asset Exchange Limited (in liquidation)**, a company having its registered office at Floor 15, 215 Lambton Quay, Wellington and carrying on business as a cryptocurrency exchange

And

In the matter of an application by **David Ian Ruscoe** and **Malcolm Russell Moore** as liquidators of **Digital Asset Exchange Limited** for orders under the Companies Act 1993

**Applicants**

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Affidavit of Malcolm Russell Moore in support of originating application for directions by liquidators and interlocutory application as to procedural directions

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Dated: 8 July 2024

**MinterEllisonRuddWatts.**


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I, **MALCOLM RUSSELL MOORE**, of Auckland, Chartered Accountant and Accredited Insolvency Practitioner, swear:

### **Introduction and summary of application**

1. I am a Chartered Accountant by profession. I am the national managing partner of Grant Thornton New Zealand Limited (**Grant Thornton**) based in the Auckland office of the firm Grant Thornton. I am a licensed insolvency practitioner (IP42) under the Insolvency Practitioners Regulation Act 2019.
2. The second named applicant, David Ian Ruscoe, is a Chartered Accountant in Grant Thornton's Wellington Office, and also a licenced insolvency practitioner (IP50).
3. I have knowledge of the matters I depose and I am authorised to swear this affidavit on behalf of the applicants.
4. On 14 August 2023 Mr Ruscoe and I were appointed liquidators of Digital Asset Exchange Limited (**Dasset** or the **Company**) (the **Liquidators**). Until it was placed in liquidation, Dasset operated as a cryptocurrency exchange for its customer users (**Account Holders**).
5. The purpose of this affidavit is to support an originating application for directions in relation to the liquidation of Dasset (**Originating Application**). The orders we are seeking are summarised below:
  - (a) that all of the various cryptocurrencies held by the Liquidators (**Digital Assets**) constitute "property" as defined in section 2 of the Companies Act 1993 (Order 1(a));
  - (b) that the Digital Assets are held together in one trust for all Account Holders as co-beneficiaries of that trust with a *pari passu* interest proportionate to their claims against the Company (Order 1(b));
  - (c) permitting the Liquidators to act as trustees in respect of the Digital Assets as trust assets (Order 3);
  - (d) authorising the conversion of Digital Assets to fiat currency (Order 4);



- (e) authorising payment of the reasonable fees and disbursements of the Liquidators and legal costs from the Digital Assets (or from the proceeds of their conversion to fiat currency) (Order 4);
  - (f) as to the process adopted by the Liquidators for the assessment of claims and distribution of Dasset's assets (Orders 6 - 21);
  - (g) that leave is reserved for the Liquidators, any Account Holder or unsecured creditor to apply to the Court to set aside or vary any of the directions and orders made pursuant to the Liquidators' application (Orders 24 and 25); and
  - (h) As to service of the orders made by the Court on creditors and Account Holders (Order 26);
6. The Liquidators are also seeking procedural orders, including as to service, by way of an interlocutory application without notice filed with the Originating Application (**Interlocutory Application**).
7. The Liquidators seek these directions as to the conduct of the liquidation to be sure they are fulfilling their principal duties as set out in section 253 of the Companies Act 1993 to take possession of, protect, realise, and distribute the assets, and/or the proceeds of the realisation of the assets, of the Company. Directions are required for a number of reasons:
- (a) the relatively novel and complicated nature of Dasset's affairs;
  - (b) there are significantly more liabilities than the assets currently held by the Company are able to satisfy; and
  - (c) there are few assets available to satisfy claims, and further investigation and recovery of assets is likely to be prohibitively expensive or impossible. To maximise recoveries by customers and creditors, the Liquidators need to carry out their obligations efficiently.
8. The orders sought will assist us to carry out the liquidation in a pragmatic and cost-effective manner in line with our duties under ss 253 of the Companies Act 1993.

9. I swore an affidavit on 18 August 2023 in support of an application by the Liquidators for orders varying the mode and timing of sending the various Liquidators' Reports under s 255 and 257 of the Companies Act 1992. The Court filing number for that proceeding is CIV-2023-404-1803. A true copy of the orders made in that proceeding are annexed to this affidavit and marked MRM "A".
10. In the next section of this affidavit, I explain some key terms and concepts which are relevant to Dasset's business.
11. From paragraph 19 to 93, I provide information about Dasset's business and trading history, how its business was meant to operate and how it appears to have operated in practice, its known assets and what we have learned in our investigations.
12. From paragraph 96 to 117, I explain the reasons for the various orders we seek, being the substantive orders sought in the Originating Application and the procedural orders sought in the Interlocutory Application.

### **Basics of cryptocurrency transactions**

13. As mentioned above and discussed further below, Dasset operated as a cryptocurrency exchange. Cryptocurrency is a form of digital currency (as distinct from fiat currency) held in a "wallet" and transacted using "keys", encryption and blockchain technology. There can be many types of cryptocurrency. The best known is Bitcoin.
14. Cryptocurrency is a form of decentralised finance. This means it does not require a centralised entity or intermediary like a bank or other financial services company. Decentralised finance and cryptocurrency use blockchain technology to reduce or eliminate the need for these intermediaries. Actions like trading placement and executions are governed by smart contracts (self-executing code).
15. In cryptocurrency terms a "wallet" is an application or hardware which stores the public and/or private keys that users need to send, receive, and store cryptocurrency. A wallet may be "hot" meaning online (ie, connected to the internet) or "cold", meaning held offline (ie, not connected to the internet).

16. Keys are created using cryptography, a method of encrypting and decrypting information which is at the core of cryptocurrency and blockchain technology. Public and private keys are very different, but both are required to complete any cryptocurrency transaction. A public key can be shared with anyone, but a private key must be kept secure as it gives the holder the right to transact the cryptocurrency in that wallet - all cryptocurrency transactions must be digitally "signed" with a private key to be completed.
17. Cryptocurrency transactions are effective when they are broadcast, processed and then recorded on the blockchain for that cryptocurrency. Each blockchain is like a distributed ledger which is hosted on the computers of multiple users and visible to all. The blockchain is "immutable" in the sense that each transaction is recorded on the blockchain (as a new "block") and once recorded, cannot be expunged.
18. Cryptocurrency transactions are noted for their transparency due to the underlying blockchain technology, which allows for an open and transparent ledger of all transactions. This transparency ensures that while the transactions themselves are visible to all, the identities of the individuals conducting the transactions are not directly tied to the transactions, hence the term "pseudonymous." Traceability of cryptocurrency refers to the ability to tie individuals to these transactions. In reality the transactions can't be "traced" to a real person unless you have information linking an actual person to the pseudonymous identity.

### **Dasset's business and trading history**

19. Dasset was incorporated in April 2017.
20. Dasset's business was operating an online platform or exchange to allow New Zealand users to buy and sell 103 categories of cryptocurrency in New Zealand Dollars, with Dasset charging fees for use of its platform. Customers of Dasset could fund their activity by depositing either cryptocurrencies or New Zealand Dollars.
21. At the time of liquidation, Dasset had up to 8,875 Account Holders.<sup>1</sup>

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<sup>1</sup> This is the total number of SubIDs attached to the Dasset master account with Bittrex. The operation of the master account and SubIDs is explained further below at paragraph [57].



22. Our understanding is that all Dasset customers were in fact resident in New Zealand. Based on discussions with Dasset management, I understand that there were approximately 5,800 verified customers at the date of liquidation. Dasset's customer base included professional traders as well as retail customers.
23. Dasset was placed into liquidation on 14 August 2023 by special resolution of the Company's shareholders. This was after the Company's banking provider withdrew its services in February 2023 and the Company was unable to find an alternative banking provider.
24. On liquidation, Account Holders' accounts were suspended and trading on the exchange halted.
25. The Liquidators were advised through discussions with Stephen Macaskill, the CEO, former contractors and other employees at the time of liquidation that Dasset held cryptocurrencies owned by it and by Account Holders on third party exchanges and kept records of user's trades and balances. I discuss our investigations into these matters at paragraph 62 below.

### **Significant shortfall**

26. There is considerable uncertainty around the assets held by Dasset. However, it is plain that there is a significant shortfall in the total amount available to satisfy Account Holders' and/or creditors' claims.
27. On 21 August 2023 and 13 March 2024 we issued our first and second Liquidators' reports, both of which contained a statement of affairs. A true copy of the first and second liquidator's report are annexed to this affidavit and marked MRM "B" and MRM "C", respectively. These statements of affairs are an estimate of Dasset's assets and liabilities.
28. At the date of appointment, the Company records state total assets with a value of \$746,977. This is comprised of:<sup>2</sup>
  - (a) Digital Assets, with a book value of \$656,777;
  - (b) accounts receivable, with a book value of \$88,743; and

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<sup>2</sup> MRM B Liquidators' First Report, Appendix B – Statement of Affairs

- (c) fixed assets, with a book value of \$1,457.
29. Through our investigations, we know that the liabilities of the Company, excluding Account Holder liabilities, have a value of \$491,924. This is comprised of:<sup>3</sup>
- (a) \$186,466 owing to preferential creditors, made up of:
- (i) \$35,533 to employees; and
- (ii) \$150,933 to the IRD for GST and PAYE; and
- (b) \$305,458 owing to unsecured creditors, made up of:
- (i) \$19,350 owing to trade creditors; and
- (ii) \$286,108 owing to the IRD.
30. At the date of appointment, Account Holder liabilities had a book value of \$6,938,615.<sup>4</sup> These are categorised as unsecured creditors in our statement of affairs, but as I explain below, we believe that Account Holders are co-beneficiaries of the Digital Assets, which are held on trust.
31. In our first report, we estimated a shortfall of NZD\$6,483,945 based on the Company records.<sup>5</sup>
32. As reflected in the size of the shortfall, the amount of cryptocurrency the Liquidators have been able to identify and take control of is far less than the aggregate customer balances reported. The reasons for this shortfall are discussed below at 37.
33. We will not have a clear view on the indebtedness of the Company until we have completed the full claims process. As cryptocurrencies are highly volatile, the realisable value of the Digital Assets can change over time. However, we have not learned anything which alters our view that there will be a significant shortfall of the magnitude set out in our first report.

<sup>3</sup> MRM C Liquidators' Second Report, Appendix B – Statement of Affairs.

<sup>4</sup> MRM B Liquidators' Second Report, Appendix B – Statement of Affairs. For reasons explained in this affidavit as to the inaccuracy of company records and the volatility of cryptocurrency, this figure is yet to be verified. This is also why this figure is subsequently reported as being 'unknown' in our second report.

<sup>5</sup> MRM B Liquidators' First Report, Appendix B – Statement of Affairs

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34. There are no security interests registered against the Company's assets.

#### **The need for efficiency**

35. Based on our experience as liquidators of Cryptopia Limited (in liquidation), recovering both information and all Account Holders' cryptocurrencies will be very difficult given that the pool of funds available to the Liquidators is limited, and the Liquidators have not been provided with details and assistance from the CEO who appears to be the only person with knowledge of the transactions. This is made worse in this liquidation because Dasset's records of customer balances and transactions do not appear to be accurate.
36. Given the limited resources available, our view is that we need an efficient and cost-effective claims process. The reason for a streamlined and pragmatic approach is to minimise process costs and maximise the assets to be distributed.

#### **Why there is a shortfall**

37. To summarise, the Liquidators believe there is a significant shortfall in the liquidation of Dasset because:
- (a) A significant amount of cryptocurrency was transferred away from the Company's accounts. This is discussed further at paragraphs 63 to 78 below.
  - (b) There were accumulated trading losses caused by an uneconomic operating model. Dasset's trading results show that the business never returned a trading profit.

#### **Investigations into Dasset's affairs**

38. From the date of our appointment, we have carried out significant investigations and steps to recover assets where possible. I summarise these and our findings below.
39. Shortly following appointment, we interviewed Dasset's management and directors.
40. We have also carried out the following further investigations:



- (a) reviewing Dasset's IT environment;
  - (b) obtaining and reviewing Dasset's historic trading records provided by third-party service providers;
  - (c) securing all known cryptocurrency held on behalf of Dasset/Account Holders by a third party;
  - (d) tracing virtual asset transactions using blockchain analytics tools;
  - (e) analysing Dasset's historic fiat currency transactions and fund flow provided by banking providers and reviewing the Company's banking controls; and
  - (f) obtaining a preliminary valuation of the Digital Assets.
41. Through these investigations we have established that the operations of Dasset's business differed substantially from their presentation to customers. I explain this further below.

#### **Limitations on our investigations**

42. Our investigations process has been complicated and hindered by the fact that despite numerous attempts, we have been unable to contact Stephen Macaskill, Dasset's CEO and Director, since the third day of the Liquidation. We understand he has left New Zealand and may be in the United States.
43. Mr Macaskill is understood to retain the key knowledge of how the overall exchange worked, how/if customer records were stored in the exchange's production environment and is also the only person who would have knowledge of the large withdrawals made which I refer to below at paragraphs 63 to 78.
44. Through our investigations and interviews held with ex-employees and contractors, it appears that the Company did not maintain accurate historic records and user data. For example, based on user claims, it appears that some large wholesale trades took place that were never recorded in Dasset's exchange database.
45. The limited information available (and the lack of reliability of some information we have) combined with the need for cost efficiency means that

we cannot cost-effectively more comprehensively trace and recover all cryptocurrencies and crosscheck these with Account Holder balances.

46. Given the reported balance sheet position and the difference between user balances recorded in the reported balance sheet and the assets actually held, the Liquidators have been in contact with New Zealand's Financial Markets Authority and the Serious Fraud Office.

### **What we have learned through our investigations**

#### ***Customer terms***

47. A true copy of the Dasset customer terms and conditions (**Terms**) is annexed to this affidavit and marked MRM "D". I believe these were the Terms used by Dasset from late September 2020. Earlier terms were the same as described below - the main difference between the Terms and earlier customer terms is the specification of the banking provider for Dasset's custodial bank account.
48. To use Dasset's services, customers would set up a User Account which they were required to 'activate'. Clause 2.1 of the Terms state that users would have to provide the following verified information to verify their account:
- (a) full name, date of birth and driver's license or passport number;
  - (b) for an entity, legal registration number;
  - (c) phone number;
  - (d) residential or business address and previous addresses;
  - (e) confirmation as to whether they were the beneficial owner of the account (confirmation that they are the sole person who exercised effective control over the account and owned the account), and if not, the equivalent information for each other beneficial owner of the account;
  - (f) any additional information such as photo identification, source of funds, and source of wealth needed to comply with regulations (such

as enhanced due diligence requirements under the anti-money laundering laws or FATCA, or source of funds information).

49. We understand that Dasset completed Anti Money Laundering checks on customers.
50. Clause 2.2 of the Terms say that a customer's User Account would be linked with their:
- (a) Legal Tender Account (see clause 3). Customers could deposit funds with Dasset's custodial bank account. Deposits and withdrawals would be reflected in the balance of the customer's Legal Tender Account; and
  - (b) Digital Currency Wallet (see clause 4).
51. Customers did not have a separate 'Legal Tender Account' where their funds were held. The Terms provided in clause 3.4 that Dasset would hold customer funds in its Crown Money Account<sup>6</sup> (called the Dasset Custodial Bank Account) and that those funds were held on trust:
- (a) Clause 3.4 included the following statement:
    - **Please note that Legal Tender held in the Dasset Custodial Bank Account is not money deposited with or lent to or owing by Dasset to you. Upon transferring any Legal Tender into the Dasset Custodial Bank Account, the legal rights to those funds will be vested in the account holder, as account holder. You will have a beneficial right to funds in the Dasset Custodial Bank Account equal to the face value of the credit balance of your Legal Tender Account, less any fees you owe to Dasset. The funds in the Dasset Custodial Bank Account are owed to the account holder by the account bank.**
  - (b) The Dasset Custodial Bank Account was defined in clause 18 of the Terms as follows:

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<sup>6</sup> An earlier version of these Terms refer to an ANZ account as being the Dasset Custodial Bank Account.

**Dasset Custodial Bank Account** The Dasset Custodial Bank Account is described in clause 3.5. It is the bank account in which Legal Tender contributed by Approved Users is held on trust for the benefit of those Approved Users. Each Approved User's entitlement is to the proportion of that balance which represents the face value of the Legal Tender that he or she has transferred to that account, less relevant deductions (e.g. for fees).

- (c) Consistent with this, the Terms defined Legal Tender Account as follows:

**Legal Tender Account** This term is defined in clause 3. Your Legal Tender Account is not a bank account. Instead, it is a digital account which represents the share of your beneficial interest in the credit funds standing to the credit of the Dasset Custodial Bank Account.

52. Dasset allowed customers to purchase up to 103 kinds of cryptocurrency on its exchange at the date of the liquidation. We have been monitoring these cryptocurrencies using Coinmarketcap<sup>7</sup> and at the date of this affidavit:
- (a) 99 of these currencies have trading volume, indicating that these are still "alive" (meaning that there is a working blockchain) and liquid, meaning that there is a market for the coin and it can be bought and sold relatively easily;; and
- (b) 4 coins do not have trading volume and are considered to be illiquid and may be 'dead' in that the network that supports the currencies blockchain no longer exists.
53. A particular cryptocurrency is considered illiquid if it has no reported trading volume in the last three months.
54. Dasset maintained a ledger to record the balance of each user's Legal Tender Account and the digital currencies held in that user's Digital Currency

<sup>7</sup> Coinmarketcap is a market aggregator that provides comprehensive data on cryptocurrency prices, market capitalisation, trading volume, and other key metrics. It offers a centralised platform that allows the performance and trends of different cryptocurrencies to be tracked by aggregating various cryptocurrency exchanges and market.

Wallet. Clause 5 of the Terms described the operation of the Dasset Ledger as follows:

### 5. Dasset Ledger

**Dasset maintains a private exchange ledger (the **Dasset Ledger**) to track each Approved User's Legal Tender Account balance and the Digital Currencies reflected in his or her Digital Currency Wallet.**

**Entries in the Dasset Ledger are not recorded on a blockchain or otherwise published. Only transfers of Digital Currencies into, or transfers of Digital Currencies out of, your Digital Currency Wallet will be confirmed and visible on a blockchain.**

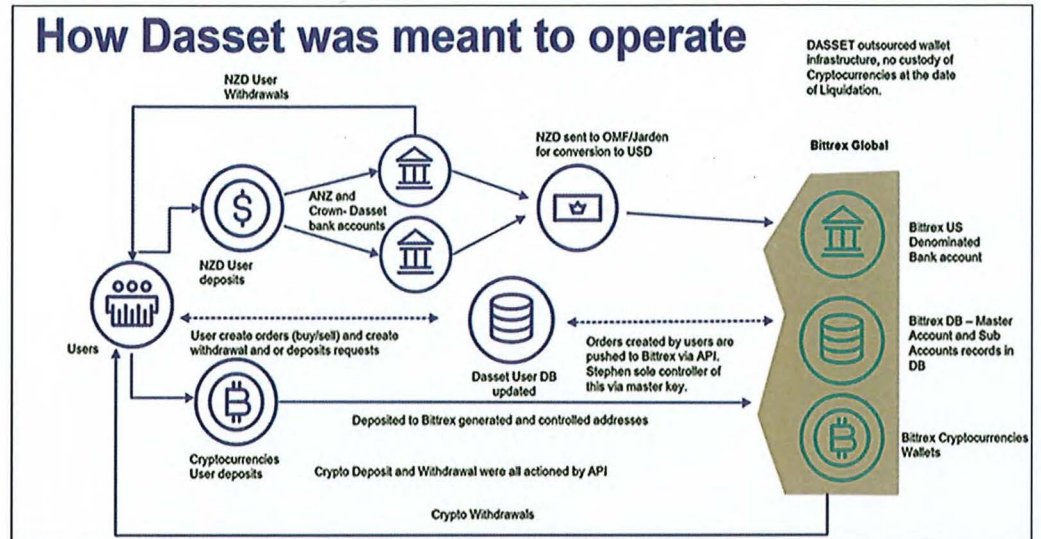
55. Dasset did not operate its own wallet infrastructure. In terms of direct control of cryptocurrencies, this means that Dasset did not have custody or control over cryptocurrency being traded on its platform. Dasset relied on other virtual asset service providers for this purpose and purported to keep track of those transactions in the Dasset Ledger. Approximately, Dasset used the following exchanges in the following periods:
- (a) AlphaPoint from 2017 - 2019;
  - (b) Bitfinex and Kraken during 2019; and
  - (c) Bittrex from 2020 till the date of liquidation.
56. Bittrex was the main exchange that hosted Dasset's and its customers' cryptocurrency. Our investigations suggest that of the four exchanges used, only Bittrex and AlphaPoint were aware of their relationship with Dasset through a formal agreement. A true copy of the Bittrex master services agreement is annexed to this affidavit and marked MRM "E".
57. Dasset's wallet infrastructure on Bittrex consisted of a master account that had a corresponding masterID/master key to control all of Dasset's activity in relation to the master account. The master account would hold and represent all the cryptocurrencies held on Bittrex by Dasset. Dasset Account Holders did not have access to this. When each Account Holder signed up for Dasset's services, a unique 'SubID' associated with that account was generated. This SubID ought to have been associated to the amount of

cryptocurrency that was held for that particular Account Holder as part of the total balance held by Dasset on Bittrex.

58. Since being appointed, we have been in contact with Bittrex and have recovered Dasset's reported Digital Assets as well as a majority of transactional information held by this party.
59. The Dasset Ledger essentially was a centralised database used to track:
- (a) transactions on the customer's (user's) Legal Tender Account and balances associated with each account. This database was interfaced with the Legal Tender Account where Account Holders' deposits were tracked using a unique payment reference; and
  - (b) the cryptocurrencies held for the customer. For cryptocurrency balances this database interfaced with the Bittrex exchange's own database via API's.<sup>8</sup> The supporting cryptocurrencies were then held in Bittrex's own pooled omnibus wallets that contained all Bittrex's own cryptocurrency along with those attributable to Dasset's Account Holders' balances.
60. In practice, when trading on the Dasset platform, an Account Holder would deposit NZD into Dasset's Custodial Bank Account. This was a bank account Dasset held with Crown or (before 2020) ANZ. The funds were then transferred to OMF/Jarden for conversion to USD/Euro, which was then sent to Bittrex.
61. Below is a diagram of the way funds movements and transactions were supposed to be carried out by Dasset. As described below, this was not entirely consistent with what actually happened.

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<sup>8</sup> API stands for "application programming interface". It is a software intermediary that allows two software applications to talk to each other.



### How Dasset actually operated

62. Below we set out what we have learned about how Dasset operated in fact.

#### ***Significant and unexplained discrepancies***

63. There were some significant discrepancies, particularly in the process of withdrawal of funds from Bittrex, that were unexpected. I explain these below.

#### *Cryptocurrency*

64. A number of unexplained withdrawals of cryptocurrency from Dasset's master account on the Bittrex exchange between 31 January 2020 and 24 May 2023 appear to account for the majority of the large deficit in the Digital Assets.
65. We have used blockchain analytics and tracing to look at where these cryptocurrencies have flowed to on their relevant blockchain.<sup>9</sup> Our initial findings show a total of 30 withdrawals with a total USD value of \$5,071,533. These withdrawals flowed directly to a number of other centralised cryptocurrency exchanges.<sup>10</sup>

<sup>9</sup> This was done utilising Crystal Expert Blockchain, this is a blockchain analytics platform designed to provide insights and analytics on blockchain transactions. The platform is designed to offer comprehensive tools and services for monitoring, investigating, and analysing blockchain activity and document fund flows

<sup>10</sup> A Centralised Cryptocurrency Exchange is an online platform used to buy and sell cryptocurrencies.

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66. From our investigations we have concluded that all activity in relation to Dasset's master account with Bittrex was controlled via a Master API key. Based on discussions with contractors and ex-employees, I understand that Stephen Macaskill maintained sole access to and would have used the Master API key to action these unexplained withdrawals.
67. Our working hypothesis is that some of the Digital Assets appear to have been taken by Mr Macaskill and potentially used for non Company transactions. A primary piece of evidence for that was provided on a confidential basis and suggests Mr Macaskill may have used Dasset users' cryptocurrencies to open a long position in Bitcoin futures. This is a complex cryptocurrency based financial instrument/derivative that is arguably just a gamble on the future value of cryptocurrencies especially when leverage is involved.
68. We have been able to trace various fund flows to GMX, a decentralised derivatives trading platform which offers users the ability to leverage trade based on the price movement of cryptocurrencies. Instead of buying and selling actual cryptocurrencies, users can trade contracts that represent these assets. This allows users to bet on whether the price will go up or down without owning the actual cryptocurrencies. GMX allows users to trade with up to 50x leverage, meaning users can control a larger position with a smaller amount of money. For example, with 50x leverage, a \$100 investment can control \$5,000 worth of the asset. GMX trades are recorded on the blockchain. This means that we can review the outcomes of trading results placed if we can identify the specific wallet that interacts with the GMX platform. The table below provides some examples of what appears to be withdrawals actioned from Dasset's account with Bittrex to unknown wallets with significant interactions with GMX platform. To assess the performance of each wallet's trades we can use websites such as GMX Terminal to translate interaction with the wallets and the GMX smart contract and see the following:
- (a) total traded volume, which is the total size of trade accounting for leverage;
  - (b) Total P&L, which is the total profit or loss recorded, being the difference between entry price and exit price;



- (c) direction bet, being a long (+) or short (-) bet against the change in price of the relevant cryptocurrency; and
- (d) fees paid, which are the fees charged by the network for the placement of these trades.

GMX interacting Bittrex withdrawal Address	Trade Volume \$USD	Total P&L \$USD	Fees Paid \$USD
0xEf192b9CF9836A80C76731327760D4DD357719D2	35,349,553.07	2,675.53	80,753.25
0xD24955D6963D06Bad304860Efa09d9f9a86F9f7D	9,252,048.49	2,369.28	19,149.32
0xB16ef1Ed893a86E756E21009FC8Ed305d191623f	40,226,131.28	-105,251.96	79,038.91
0xDA7d3Efe1EE8dD1318B25f138D041d4d32598BD0	25,040,770.21	-82,701.91	53,218.02
0x7f7459bda40CB60593bAEba82aEE40603889B55F	7,176,372.08	-53,295.34	14,661.74
0x0a66f59851d25b6224c79d3c48831d0edb86b525	165,818,132.17	-	361,263.43
Total	282,863,007.30	1,203,012.06	608,084.67
		1,439,216.46	

69. We cannot identify the wallet owner or the ultimate recipient of the relevant cryptocurrencies.
70. Given the extra-jurisdictional nature of the exchanges we have traced these transfers to and the likelihood that these cryptocurrencies and any fiat currency have been “gambled” and therefore lost, it is our assessment that recovery of these cryptocurrencies will be impossible and comparable to trying to recover lost betting chips from a backwater casino. Additionally, the cost associated with attempts to recover further information or the cryptocurrency itself are prohibitive.

*Fiat currency*

71. We have identified a lack of payments to Dasset’s operating bank accounts from Bittrex, compared to amounts paid from them especially in the 2022 and 2023 years. Account Holders’ cryptocurrency was sold in USD or EUR on Bittrex, so it would be expected that these funds would be transferred back to Jarden/OMF to be converted to NZD depending on the treasury practices of Dasset.
72. However, instead, we can see large transfers of USD funds to Cumberland DRW OTC. Cumberland DRW is a cryptocurrency trading firm. While there may have been a need to find other markets outside of Bittrex to fulfil user

orders, this flow appears unusual and remains unexplained by Mr Macaskill or anyone else.

- 73. Cumberland DRW have been forthcoming with information and have provided us with a full transactional listing. We have looked at all over the counter (OTC) trades made in the 2019 to 2022 period.
- 74. Using Crystal Blockchain we have traced the flow of funds on-chain of all purchases to other cryptocurrency exchanges. The majority of OTC trade proceeds are traceable within 1-2 transactions to Bitfinex attributed wallets.<sup>11</sup>
- 75. 2021 fiat OTC purchases traced to Bitfinex are summarised in the below table.

#	Eventual Deposit Address	Entity Traced to	Currency	Amount	FX Exchanged	Deposit Date
1	3EMPWqJQeW55riZEv6h7BaZPEg5kDb22xz	Bitfinex	Bitcoin	1.99983656	115,321 USD	31/03/2021
2	0x381b13ce738ced62f5400066bb48fc33aba00010	Bitfinex	Ether	24.72231373	45,000 USD	31/03/2021
3	3M1xRX1M6dnXxDXM4oGAsymC5ndNtZKm9b	Bitfinex	Bitcoin	12.99978208	665,535 EUR	15/04/2021
4	34YZGt23QzFe6qFdg2zcE5VPYb9h4CJFn4	Bitfinex	Bitcoin	9.99998184	530,590 EUR	15/04/2021

- 76. In addition to the above fiat OTC purchases, there is one cryptocurrency to cryptocurrency Cumberland trade. This was funded by a \$433k USDT (Tether) withdrawal actioned from the Bittrex Dasset master account. The corresponding 244 Ether purchased was then deposited to a Bitfinex attributed deposit address on 13 February 2021. Again, there is no way for us to positively identify the destination of the cryptocurrency transferred.
- 77. This account activity suggests that new user deposits were being used to fund user withdrawals in the manner of a *ponzi* scheme. However, this theory

<sup>11</sup> Bitfinex is a separate cryptocurrency exchange. Not to be confused with Bittrex, that was the exchange that was holding the digital assets of Dasset's customers from 2020.

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would require further investigation in order to understand all of this account activity. The cost of undertaking such an investigation would likely exhaust all the assets available to the Liquidators.

- 78. What we can conclude is that cryptocurrency and their proceeds have been appropriated for some purpose, and that it is not feasible for those coins or their proceeds to be traced and recovered for the benefit of creditors and Account Holders of Dasset.

***The Dasset Ledger was not accurate***

- 79. The Dasset Ledger is important. This was supposed to be the source of truth for customer balances and trading transactions for each customer’s Digital Currency Wallet and Legal Tender Account. However, we have learned that it is not accurate, in part because there were significant transactions that were not recorded. With one exception, the master account withdrawals discussed at 63-70 above were not recorded.
- 80. We assess that it will be very difficult to get accurate customer account balances, given the lack of historical balance information available and given Dasset’s reliance on Bittrex’s API functionality for cryptocurrency balance reporting. This is especially so given the comparatively low value of the Digital Assets in this liquidation. Reconciling, cross-checking and verifying each Account Holders’ balance with the information we have available, if possible, would be time consuming and prohibitively expensive in the circumstances.

***Dasset’s Custodial Bank Accounts***

- 81. Over the lifetime of its business, Dasset’s Custodial Bank Account was held with the financial institutions, and for the periods, in the following table:

Financial Institution	Commenced	Terminated
ANZ	25 September 2017	16 October 2020
Crown Financial Services	25 September 2020	24 February 2023

- 82. Crown Financial Services withdrew their services in February 2023 and Dasset was not able to find an alternative bank. This may be why, in the

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period after February 2023, Account Holders reported being asked to make deposits to bank accounts not in the name of the Company.

83. Our investigations show that funds deposited into these non-company accounts were used to fund purchases of cryptocurrency on the Bittrex exchange. These accounts were also used to ultimately make NZD withdrawals from Bittrex.

### **Financial statements**

84. Deloitte, as Dasset's accountant, helped prepare statutory financial statements between 2018-2021. However, this relationship appears to have stopped in 2021.
85. We obtained copies of Dasset's financial statements that were available and these are summarised in the table below. True copies of the financial statements for 2018-2021 are annexed to this affidavit and marked MRM "F". These show Dasset did not make a profit in any year for which financial statements were prepared.

Year End	Total Income (\$)	COGS (\$)	Total Expenses (\$)	Net Profit before tax / Operating Profit (ignores FX/Crypto Gains & Losses) (\$)
31-Mar-18	151,889	10,618	330,229	-188,958
31-Mar-19	48,206	105,877	380,486	-438,157
31-Mar-20	4,521	90,038	965,318	-1,050,835
31-Mar-21	166,741	46,503	861,454	-741,216
31-Mar-22	Not prepared at the date of Liquidation			
31-Mar-23				

86. All of the financial statements for YE 2018-2021 recorded that customers' cryptocurrency assets were held on trust, separately from Dasset's assets.
87. A statement of position prepared by Stephen Macaskill, was provided to the Liquidators on our appointment. This does not distinguish between trust assets and the Company's assets. A true copy of that document is annexed to this affidavit and marked MRM "G".
88. The statement of position provided by Mr Macaskill is not consistent with the previous accounting treatment in the financial statements prepared by Deloitte. It is also not consistent with the understanding of one of the ex-directors of the company, Fran Stranjar, that Account Holders' funds were

held on trust and were not part of the Company's profits and losses. Mr Stanjar considered it inconceivable that Account Holders' assets were ever touched due to operational and technical processes originally set up with Bittrex and cold storage.

***Dasset's treatment of funds and digital assets***

89. We believe that, at the time of the liquidation, Mr Macaskill did not keep user and Company assets separate. All assets, both user and Company, were in one pool on the Bittrex exchange.
90. The Dasset Ledger was supposed to be the means by which the Company and ultimately Account Holders tracked their balances and transactions. As mentioned above, at the time of liquidation, the Dasset Ledger was not accurate. As a result, even with Company records, we will have difficulty establishing correct Account Holder balances at the date of liquidation.
91. All Dasset's holdings were also recorded by Bittrex in its own internal database. All user accounts were linked via their SubIDs to the Dasset Master Account. This Bittrex account recorded all fiat deposits and withdrawals. Fiat would then be allocated to the relevant user account to action the user deposit by the Bittrex transfer function. As NZD was not a supported Bittrex currency, Dasset's database provided a function to convert EUR/USD to NZD.
92. Based on our investigations there are limited assets available and we have not identified additional Company assets with a straightforward path to recovery. The cost benefit analysis for incurring further costs is very low and will likely substantially erode or extinguish the assets distributable to the pool of creditors/Account Holders.
93. Therefore, once the relationship of the Company with its Account Holders is legally resolved, we are requesting orders to enable us to convert the Digital Assets to New Zealand Dollars and begin the claims process.

**Application for directions**

94. The Liquidators have no interest in the outcome of this application. Mr Ruscoe and I have carefully considered how any orders the Court may make will affect the creditors' entitlements and have formulated a proposal for

distribution of the Digital Assets or their proceeds in the most efficient way possible.

95. We consider that the application to the Court for directions must be determined before we can make any distribution. The directions which are sought are all set out in the Originating Application.

**The orders sought by the Originating Application and Interlocutory Application**

96. Below I address the specific orders sought in the Originating Application and in the Interlocutory Application.

(a) *As to the legal status of the Digital Assets*

97. Whether cryptocurrency is property for the purpose of the Companies Act 1993 was a significant issue in the Cryptopia applications for directions. My understanding is that there is no controversy now that cryptocurrency is property for that purpose.

*That the Digital Assets are held on trust for any or all Account Holders*

98. Our belief is that funds and Digital Assets contributed by Dasset's customers were intended to be held by Dasset on trust for the benefit of each Account Holder. This is because:

- (a) for the period in which statutory financial reporting was completed (2018-2021), Account Holder assets were recorded as non-company assets held on trust;
- (b) the directors of the company have informed the Liquidators that they understood that user assets were held separately on trust; and
- (c) the Terms in place since the inception of the company are explicit that customer funds are held in Dasset's Custodial Bank Account on trust. Those funds were then used to purchase cryptocurrency.

99. Directions as to whether the Digital Assets are trust property are sought as this is necessary for the Liquidators to ascertain their obligations in respect of the Digital Assets. Whether or not some the Digital Assets are subject to a trust will make a significant difference to the distribution of the Digital Assets.

- (a) If Dasset Account Holders have a claim as beneficiaries of a trust over the Digital Assets, then those proprietary claims will have priority over preferential creditors and all other unsecured creditors.
- (b) If Dasset Account Holders are simply unsecured creditors, their claims rank together, *pari passu*, with all other unsecured creditors and behind preferential claims.

*That the Digital Assets are held together in one trust for the benefit of all Account Holders, as co-beneficiaries*

- 100. We are specifically seeking orders that the Digital Assets are held together in one trust for the benefit of all Account Holders, where each Account Holder is a co-beneficiary of that trust with a *pari passu* interest proportionate to their claim. This is a departure from the approach adopted by the Court in the Cryptopia liquidation, where it was held that there were multiple trusts, with each cryptocurrency being held in a separate trust for the benefit of specific groups of account holders holding that particular cryptocurrency.
- 101. We propose a different approach for Dasset's liquidation because of the need for the Liquidators to act in a pragmatic and cost-effective manner. Dasset is different to Cryptopia. In Cryptopia, there were significant assets and detailed records of each customer's holdings. These factors allowed us as Liquidators to investigate Cryptopia's affairs and trace customer/beneficiary claims in a highly detailed and thorough way. In this case, we do not have sufficient resources (and there is a significant shortfall) or verifiably accurate information to do that for Dasset. Given the limited value of assets available in comparison with the much greater value of assets available in the Cryptopia liquidation, the cost involved in undertaking for Dasset the detailed approach taken with Cryptopia would leave little, if anything, remaining for distribution to claimants.
- 102. The large shortfall in Dasset's assets means that a simplified approach is necessary. As a result, our view is that all Digital Assets should be realised and the proceeds distributed amongst all Account Holders as co-beneficiaries of a single trust, proportionate to the value of Account Holders' claims in accordance with the orders sought at paragraph 6 of the Originating Application. This will allow the Liquidators to efficiently deal with all user

claims and maximise distributions to Account Holders/beneficiaries from the limited pool of Digital Assets available.

*Permitting the Liquidators to act as trustees in respect of the trust assets, being the Digital Assets*

103. If the Court finds that some or all of the Digital Assets are trust assets, the Liquidators will need the authority to be able to deal with these assets as trustees.
104. The same order was sought and granted in the Cryptopia liquidation in respect of the same issues, where cryptocurrency was held to be trust property.

*Authorising the conversion of Digital Assets to fiat currency*

105. We seek orders that the Digital Assets may be converted to NZD for the purpose of the claims process and meeting customer claims. Distributing cryptocurrency without converting it has a significant time and cost burden for Account Holders and the Liquidators. This is because, for example, the Liquidators would have to make transfers in each of the 103 cryptocurrencies held, and every user would have to establish a new, verifiable digital wallet to receive their share in the distribution. This would also incur transfer fees. Additionally, with a lack of complete and reliable records, it would be near impossible to consolidate Account Holders' holdings in each cryptocurrency and to practically make distributions of the same without engaging in more detailed investigation of the Digital Assets, which is not economically justified in this case.
106. Furthermore, treating all Account Holders as beneficiaries of one trust, pooling all cryptocurrencies held, in circumstances where different customers have claims to different cryptocurrencies with each having different values, requires that these cryptocurrencies are all converted to a common fiat currency (NZD) to which each customer's proportionate entitlement can be assessed based on the NZD value of that customer's claim to the cryptocurrency in question.
107. The volatility of cryptocurrencies means that it is unknown exactly what the realised value of the Digital Assets will be in NZD. In the case of some



cryptocurrencies (in particular those with very low trading volumes) it may take some time to find a fiat purchaser. We are still in the process of obtaining further valuation metrics that will allow us to understand the liquidity and true realisable value of the Digital Assets. The Liquidators plan to first engage a specialist firm to provide a preliminary valuation of the Digital Assets. In a practical sense, when distributions need to be made/once the orders are made, the Liquidators will instruct their specialised agent to make sale orders on all the Digital Assets. However, this is not an instant process. While some cryptocurrencies that have high liquidity, such as bitcoin, will be realised relatively quickly, others that have low liquidity would require further time and intervention by the specialised agent engaged by the Liquidators to be sold/realised. We understand that for some cryptocurrencies held, this may involve having to create a market for sale. Our objective is to fulfil our statutory obligations to realise and distribute Dasset's assets in a reasonable and efficient manner, not to speculate as to the price of different cryptocurrencies. We will act in accordance with the advice we receive from the specialist(s) we engage and aim to realise the Digital Assets as soon as practically possible for distribution.

108. Therefore, for practical reasons, the Liquidators ask the Court to make an order that they may convert Digital Assets to NZD in a reasonable time frame and as soon as practicably possible following that the date that the orders are made by the Court.

*Authorising payment of the reasonable fees and disbursements of the Liquidators and legal costs*

109. This order is sought to confirm that the costs of this application are costs of the liquidation and/or of the administration of the trust and may be paid prior to distributions being carried out.

*As to the assessment of claims and distribution of the Digital Assets*

110. The orders sought are specific to the Account Holder claims – no orders are needed in relation to preferential or unsecured creditors.
111. The proposed process for assessment of Account Holders' claims will be as follows:

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- (a) The Liquidators will establish an Account Holder claims process.
- (b) All claims must be registered with the Liquidators by a date to be fixed by the Liquidators and which is no less than 60 days after notice is given in accordance with the Court's orders (the **Cut-Off Date**).
- (c) The claims process will have the following steps:
  - (i) A valuation of each cryptocurrency would be set as at the date of liquidation.
  - (ii) The Liquidators will give notice to account holders that they must submit a claim before the Cut-Off Date in order to receive any recovery in the liquidation.
  - (iii) Notice will be given to Account Holders by email, by placing the same information on [www.grantthornton.co.nz/Dasset](http://www.grantthornton.co.nz/Dasset), which the Liquidators use to communicate with Account Holders, and via Dasset's social media channels, or any successor channels.
  - (iv) The Liquidators shall ensure that the notice remains on the website until (at the earliest) the date on which they have paid the dividend to participating Account Holders.
  - (v) Account Holders will be asked to make their claims in relation to each of the cryptocurrencies that Dasset allowed Account Holders to purchase.
  - (vi) The Liquidators will review and accept, decline or partially decline each claim.
  - (vii) All persons making a claim in the liquidation will have the ability to challenge the Liquidators' decision under section 284 of the Companies Act 1993.
  - (i) the Liquidators will pay all costs of the liquidation and administration of the trust (including undertaking claims analysis and distributions) from the total pool of converted

Digital Assets before any distribution to creditors or beneficiaries;

- (ii) each accepted claim will be treated as a proportionate claim to the realised pool of Digital Assets ;
- (d) the Liquidators shall distribute all Digital Assets in fiat with the proportionality of each claim to the entire pool of funds available;
- (e) the Liquidators may choose to take no steps in connection with the realisation and subsequent distribution of value of any cryptocurrency that has no or low realisable value and thus no basis for warranting the costs of distribution;
- (f) If any of the Digital Assets are unclaimed or in the event of any future recoveries of cryptocurrency, the NZD value of those assets will be distributed *pari passu* to claimants in proportion to their unsatisfied claims.
- (h) That the solicitor-client costs of the application are an expense incurred by the Liquidators in carrying out their duties as liquidators/trustees administering a trust.

### **Procedural directions**

- 112. In terms of the procedural orders sought, Mr Ruscoe and I consider that these will facilitate a cost-efficient determination of the Originating Application. We intend, once the substantive application has been served in accordance with the Court's orders, and any responses have been filed, to return to the Court seeking further orders for the hearing and resolution of the substantive application. We will, if we consider it necessary for the proper airing of all relevant issues, seek orders for the representation of one of more interest groups.
- 113. We have sought directions that the reasonable costs and disbursements of MinterEllisonRuddWatts, any other counsel, and ourselves be met from the assets of Dasset, including the Digital Assets which may be held on trust for Account Holders. We consider that these costs and disbursements are a necessary and reasonable cost of the liquidation or alternatively carrying out the Liquidators' obligations as trustees.

### **Service**

114. We previously applied to this Court for orders varying the service requirements under the Companies Act 1993 and those orders were made. I refer to Exhibit MRM "A".
115. We have been using a dedicated webpage for sharing our statutory and other periodic reports on the liquidation. We have observed in this and other matters that these are effective methods for communication with stakeholders. We propose therefore, consistent with the orders already made, that instead of personal service we post a link to the Court documents filed in this proceeding on our Grant Thornton webpage dedicated to the Dasset liquidation () and email a link to that page to all known account holders for whom we have an email address.
116. I consider that it is appropriate for service of these applications to be effected in the same manner as service of the Liquidators' Reports, because:
- (a) the cost of physically serving this application on all roughly 8,875 potential claimants (assuming that were possible) would be significant and disproportionate, and the time taken to achieve service would be considerable;
  - (b) previously we assessed the cost of simply printing and posting the Liquidators' Reports at \$25,000, and personal service under the applicable rules of Court would be even more costly; and
  - (c) While we have physical addresses for most if not all Account Holders, they were provided at the time each Account Holder signed up, so there is reason to believe at least some of them will not be correct.

***Leave is reserved for the Liquidators, any Account Holder or unsecured creditor to apply to the Court to set aside or vary any of the directions and orders made***

117. This order gives any interested party the right to apply to the Court to vary the substantive orders made. Any such application will need to be made by with appropriate notice being given to the Liquidators by applying to the Court within 10 working days of the sealed orders served on that beneficiary, shareholder or creditor, in accordance with the orders sought in the

Originating Application and Interlocutory Application, so that the Liquidators can complete the liquidation with confidence.

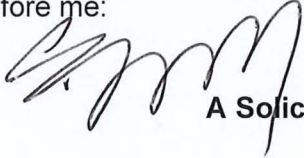
**Application without notice**

118. I believe that it is appropriate the Interlocutory Application for procedural directions should be determined on a without notice basis because:

- (a) personal service on the known Account Holders and creditors of the company will cause unnecessary delay and cost, and may be practically impossible;
- (b) the terms of the orders sought provide the creditors with the right to be heard if they have any concerns with the orders.

SWORN at Auckland  
this 8 day of July 2024  
before me:

)  
)   
)



**Sean William Gourley**  
**Auckland**  
**Solicitor**

**A Solicitor of the High Court of New Zealand**

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MRM A

"MRM A"

This is the document marked "MRM A" referred to in the affidavit of MALCOLM RUSSELL MOORE sworn at Auckland this 8 day of July 2024 before me:



A Solicitor of the High Court of New Zealand

In the High Court of New Zealand  
Auckland Registry

Sean William Gourley  
Auckland  
Solicitor

I Te Kōti Matua o Aotearoa  
Tāmaki Makaurau Rohe

CIV-2023-404-1803

Under Part 19 of the High Court Rules and Part 16 of the Companies Act 1993

In the matter of **Digital Asset Exchange Limited (in liquidation)**, a company having its registered office at 155 Queen Street, Auckland, 1010 and carrying on business as a cryptocurrency exchange

And

In the matter of an application by **David Ian Ruscoe** and **Malcolm Russell Moore** as liquidators of **Digital Asset Exchange Limited** for orders under the Companies Act 1993

**Applicants**

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Orders under sections 255, 257 and 284 of the Companies Act  
1993

Dated: 21 August 2023

---



**DUPLICATE**

**MinterEllisonRuddWatts**

PO Box 105 249 Auckland City 1143  
T +64 9 353 9700

Solicitor acting: Ana Simkiss | ana.simkiss@minterellison.co.nz  
Partner responsible: Sean Gollin | sean.gollin@minterellison.co.nz

901696504

**Court orders under sections 255, 257 and 284 of the Companies Act 1993**

Before the Honourable Justice Isaac on 24<sup>th</sup> August 2023:

After reading the originating application without notice for orders under sections 255, 257 and 284 of the Companies Act 1993 ("Act") dated 18 August 2023, memorandum of counsel in support and the affidavit of Malcolm Russell Moore sworn 18 August 2023 this court orders:

1. the requirements under section 255(2)(c)(ii)(A) of the Act ("Act") and regulation 6(2)(a) of the Companies (Reporting by Insolvency Practitioners) Regulations 2020, are modified so that the liquidators' initial report will not include email addresses of creditors;
2. the requirements of section 255(2)(c)(ii) of the Act for the method by which the liquidators will send a notice, statement, report, accounts, or other documents to be sent to a shareholder, are modified such that:
  - (a) all statutory reports of the liquidators will be uploaded to the Companies Register page for Digital Asset Exchange Limited (**Dasset**);
  - (b) all statutory reports and all other communications with creditors or shareholders of Dasset as a group and updates of the liquidators will be uploaded to [grantthornton.co.nz/DASSET/](http://grantthornton.co.nz/DASSET/);
  - (c) for any notice, statement, report, accounts, or other document required to be sent to shareholders or creditors of Dasset, the liquidators will send an email to all known creditors and shareholders containing a link to the document hosted at [grantthornton.co.nz/DASSET/](http://grantthornton.co.nz/DASSET/); and
  - (d) for any creditors of Dasset for whom no email address is held, the documents will be posted to the last postal address provided by that person (if any);
3. the period for circulating the liquidators' initial report is extended until close of business on Monday 28 August 2023;
4. that this application may be made by originating application;



5. that these orders are made on the papers and without notice to any other person;
6. that the application and these sealed orders of the Court be sent to all creditors and shareholders of Dasset in the manner set out at 2(b)-(d) above;
7. that any creditor or shareholder of Dasset may apply to modify the orders of the Court by applying to the Court within 10 working days of the sealed orders being sent to that creditor or shareholder in accordance with 2(b)-(d) above;
8. that leave is reserved for the applicants to apply further in respect of any ancillary orders; and
9. that the solicitor-client costs of the application are an expense incurred by the applicants in carrying out their duties as liquidators.

DATED this 24 day of August 2023



*A.T. Mitchell*  
\_\_\_\_\_  
(Deputy) Registrar

A.T. MITCHELL  
Deputy Registrar  
High Court  
Auckland



MRM B



Sean William Gourley  
Auckland  
Solicitor

"MRM B"

This is the document marked "MRM B" referred to in the affidavit of MALCOLM RUSSELL MOORE sworn at Auckland this 8 day of July 2024 before me:

A handwritten signature in black ink, appearing to read "Sean W. Gourley".

A Solicitor of the High Court of New Zealand

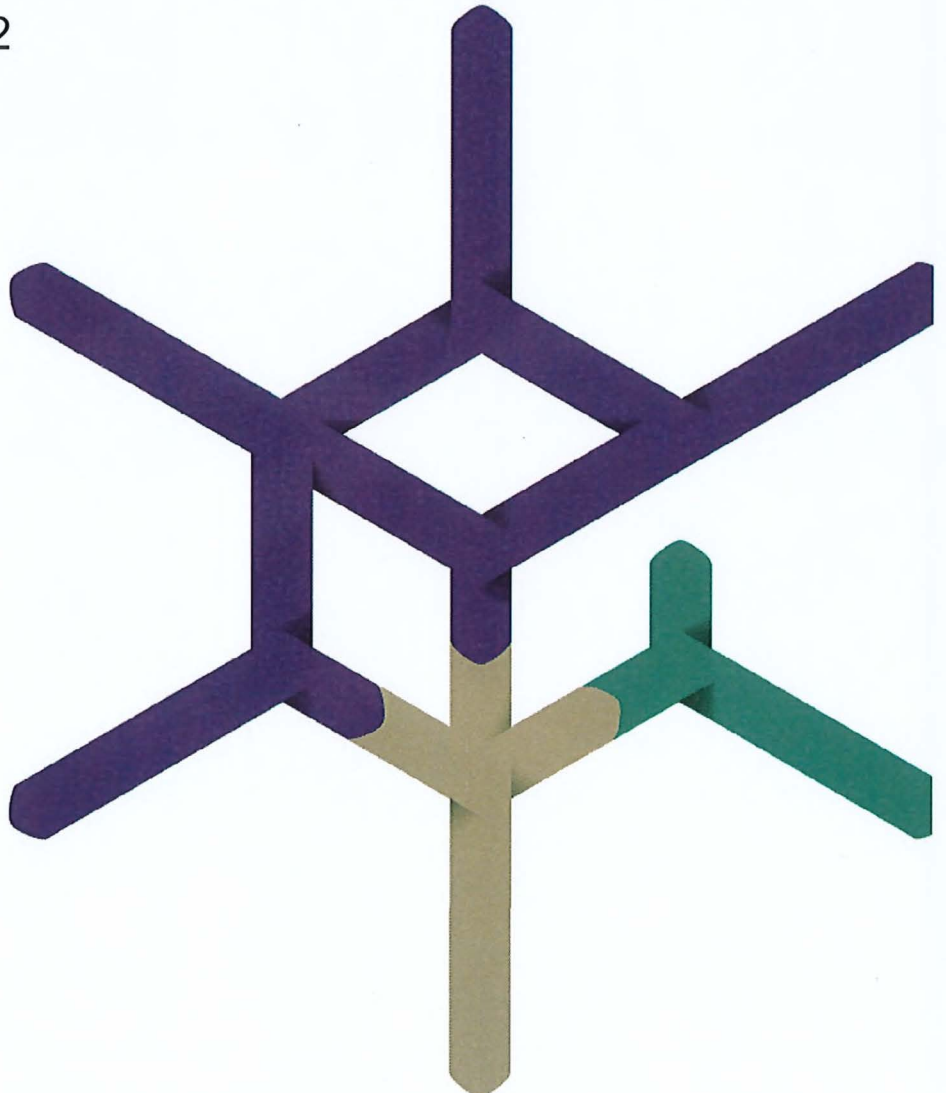
# Liquidators' Initial Report on the State of Affairs of

Digital Asset Exchange Limited (in Liquidation)

Company Number: 6261371

NZBN: 9429046068682

21 August 2023



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# Introduction

David Ian Ruscoe (IP#50) and Malcolm Russell Moore (IP#42) of Grant Thornton New Zealand Limited (“Grant Thornton”) were appointed jointly and severally as Liquidators of Digital Asset Exchange Limited (“the Company”) on 14 August 2023 at 2:00pm by a special resolution of the shareholders pursuant to section 241(2)(a) of the Companies Act 1993 (“the Act”).

The Liquidators and Grant Thornton are independent of the Company. The Liquidators’ Declaration of Independence, Relevant Relationships and Indemnities (“DIRRI”) is enclosed to this report as Appendix A.

Liquidators of insolvent companies are required to be licensed insolvency practitioners. Information about the regulation of insolvency practitioners is available from the Registrar of Companies.

We set out below our initial report on the state of the affairs of the Company as required by section 255(2)(c)(ii) of the Act, and section 6 of the Companies (Reporting by Insolvency Practitioners) Regulations 2020 (“the Regulations”).

## Restrictions

This report has been prepared by us in accordance with and for the purpose of section 255 of the Act and section 6 of the Regulations. This report is not intended for general circulation, nor is it to be reproduced or used for any purpose without the Liquidators’ written permission in each specific instance.

The Liquidators, their employees and agents do not assume any responsibility or liability for any losses occasioned to any party for any reason including as a result of the circulation, publication, reproduction or use of this report contrary to the provisions of this paragraph.

The Liquidators reserve the right (but will be under no obligation) to review this report and, if considered necessary, to revise the report in light on any information existing at the date of this report which becomes known to them after that date.

We have not independently verified the accuracy of the information provided to us and have not conducted any form of audit in respect of the Company. We express no opinion on the reliability, accuracy or completeness of the information provided to us and upon which we have relied. Whilst all care and attention has been taken in compiling this report, we do not accept any liability whatsoever arising from this report.

The statements and opinions expressed in this report are based on information available and assumptions made as at the date of this report. It is possible that actual outcomes may be significantly different from those disclosed in this report.

In addition, the following should be noted:

- Certain values included in tables in this report have been rounded and therefore may not add exactly; and
- All amounts are stated in New Zealand dollars.

## Details of the Company

<b>Date of incorporation</b>	24 April 2017
<b>Date ceased trading</b>	14 August 2023
<b>Current registered address</b>	PO Box 1961, Auckland
<b>Previous registered address</b>	155 Queen Street, Auckland Centre, Auckland 1010, New Zealand
<b>Directors</b>	Stephen Macaskill
<b>Shareholders</b>	Stephen MACASKILL; TECHEMY LIMITED; FLO2CASH GROUP LIMITED; Collins Production Corp; XRAY TRUST LIMITED; Fran STRAJNAR; Gareth DAVIES; Paul Caleb SALISBURY; Matthew GRIFFIN; Thomas WOOD
<b>Date and time of liquidation</b>	14 August 2023 at 2:00pm

## Background

The Company was incorporated in April 2017 and operated as a New Zealand based digital asset exchange, trading under the name "Dasset". The Company offered users the ability to buy and sell over 90 different digital assets with New Zealand Dollars. At the date of liquidation, it is estimated that the Company had over 5,000 registered users.

Management has stated that due to declining value in digital assets, the Company has not been able to trade profitably. In January 2023, the Company's banking provider withdrew its services, and the Company was unable to find an alternative banking provider.

Following this, users' accounts were suspended, and trading on the Company's exchange halted. It was decided that it was in the best interest of all stakeholders that the Company be placed into liquidation.

# Creditors

A schedule of known creditors is enclosed at Appendix C.

If any creditor or user wishes to make a claim, a Creditor Claim Form is enclosed at Appendix D. For ease of completion, we hope to provide any users that wish to make a claim with a tailored User Claim Form, this will be provided at a later date.

## Secured creditors

A search of the Personal Property Security Register disclosed no security interests registered against the Company at the date of liquidation.

## Preferential creditors

Based on the Company records, employee preferential entitlements outstanding at the date of liquidation are estimated at \$16.7k, representing outstanding wages and holiday pay owing.

Company records also indicate outstanding amounts owed to the Inland Revenue Department ("IRD") for GST and PAYE, totalling \$203.7k. We will write to the IRD to confirm if they have a claim against the Company and quantify any amounts owing.

We are unaware of any other Preferential claims against the Company. At this stage, it is unknown if there will be any funds available to make payment to preferential creditors.

## Unsecured creditors and users

The Company's records indicate there are unknown number of unsecured creditors totalling \$50.3k and an unknown number of users with outstanding balances totalling \$6.9m. At this stage we have not been made aware of any known current or pending proceedings to which the Company is a party.

At this stage, it is unknown if there will be any funds available to make payment to unsecured creditors.

## Digital asset holdings

We understand the Company held digital assets on 3<sup>rd</sup> party exchanges and kept records of user's transactions and balances. We are currently working to get access to detailed records to perform a reconciliation of holdings for each user.

**Based on records we have received to date it appears that there is a significant shortfall between the reported level of users' holdings and the amount of digital assets held by the Company, with digital assets of c. \$0.6m vs. user liabilities of c. \$6.9m.**

At this stage it is unknown if there will be any funds available to meet users' claims.

## Notice to creditors to prove debts or claims

Please refer to Appendix E for the formal notice setting down the date for all creditors to prove their debts or claims.

## Statement of Affairs

A statement of affairs of the Company, as at the date of liquidation, prepared by the Liquidators in accordance with section 255 of the Act is enclosed to this report, at Appendix B.

In preparing the statement of affairs we have relied on information provided by the Director.

We have not carried out an audit of the information that has been provided to us, nor have we subjected the information provided to detailed verification procedures. While we believe the statement, based on the information provided to us, reasonably reflects the position of the Company, we cannot be held responsible for inaccuracies in the report arising from deficiencies in the information or explanations given to us.

## Meeting of creditors

The Liquidators do not propose to call a meeting of creditors at this time. The Liquidators consider that, based on early assessments of the amount that may become available to creditors, calling a meeting of creditors would create an unnecessary and disproportionate cost to the liquidation, and consequent reduction in the dividends to creditors.

Please refer to Appendix F for the formal notice of dispensation of the meeting of creditors

## Briefing call with users and creditors

The Liquidators plan to hold a briefing call with users and creditors to update them on the progress of the liquidation and to answer questions raised. As mentioned, we are currently working to extract detailed user records, once this process is completed, we intended to distribute an invitation to this call to users and creditors and will ask for questions to be submitted.

# Proposals for conducting the liquidation

## Digital asset recovery

The Liquidators have a responsibility to protect and preserve the Company's digital asset holdings for the benefit of those entitled to them.

Since being appointed the Liquidators have managed to secure a significant proportion of the reported digital assets. The Liquidators have also contacted the 3<sup>rd</sup> party exchange to attempt recovery of remaining digital assets and to obtain relevant information in order to carry out their investigations.

A reconciliation between users' balances and actual digital assets held by the Company will also need to be performed to quantify the anticipated shortfall in holdings. As discussed above the shortfall based on the reported balance sheet position and information received to date is significant, with potentially less than 10% of customer liabilities covered by digital assets the Company claims to have held at our appointment.

## Investigations

We will investigate the affairs of the Company and its Directors, including related parties, in the period prior to our appointment to determine if there are any further avenues of recovery available to the Company. Our duties as Liquidator require a transparent and robust investigation into the Company.

Given the potential shortfall detailed above the Liquidators have been in contact with the Financial Markets Authority and the Serious Fraud Office.

As a registered Financial Service provider (FSP1004807), the Company was required to provide access to a dispute services process. We have been informed by the Insurance and Financial Services Ombudsman ("IFSO") that the Company was removed from the IFSO scheme prior to liquidation as it had not responded to complaints raised by the IFSO.

We are in the process of de-registering the Company from the Financial service providers register.

If any insolvent transactions or breaches of legislation have occurred, we will take appropriate action where it has the potential to increase the recovery available to creditors and report where required to the relevant authorities.

## Estimated date of completion of the liquidation

It is not practicable to estimate the date of the completion of the liquidation at this stage.

Should you have any queries in relation to any matter raised in this report then please contact Tom Aspin on [dasset@nz.gt.com](mailto:dasset@nz.gt.com).

Dated: 21 August 2023



Malcolm Russell Moore  
Liquidator  
Digital Asset Exchange Limited (in Liquidation)

# Appendix A - DIRRI

## Declaration of Independence, Relevant Relationships and indemnities

### Digital Asset Exchange Limited (in Liquidation) (“the Company”)

Practitioner/s appointed to an insolvent entity are required to make declarations as to:

- A Their independence generally
- B Relationships, including
  - i The circumstances of the appointment
  - ii Any relationships with the Company and others within the previous 24 months
  - iii Any prior professional services for the Company within the previous 24 months
  - iv That there are no other relationships to declare and
- C any indemnities given, or up-front payments made, to the Practitioner.

This declaration is made in respect of ourselves, our partners, Grant Thornton New Zealand Limited (the “Firm”) and any of the Firms associated entities.

### A Independence

Malcolm Russell Moore and David Ian Ruscoe of Grant Thornton New Zealand Limited have undertaken a proper assessment of the risks to the Firm’s independence prior to accepting the appointment as Liquidators of the Company in accordance with the law and applicable professional standards. This assessment identified no real or potential risks to the Firm’s independence. Malcolm Russell Moore and David Ian Ruscoe are not aware of any reasons that would prevent the Firm from accepting this appointment.

### B Declaration of Relationships

#### Circumstances of appointment

This appointment was referred to the Firm by MinterEllisonRuddWatts. We believe that this referral does not result in a conflict of interest or duty because:

- The introduction to the Company was unconditional;
- We have not undertaken any prior engagement with the Company or its directors; and
- Introductions or referrals from advisors to specialist advisors is common business practice.

Prior to appointment as Liquidators, we had a call with the Director on 28 July 2023, following by a further call with the Director and a shareholder on 31 July 2023 to discuss insolvency options.

In our opinion, our independence is not affected by the circumstances leading to our appointment as Liquidators. We did not receive any fees and we have provided no other information or advice to the Company, its directors or advisors prior to our appointment beyond that outlined in this DIRRI.



**Relevant Relationships (excluding Professional Services to the Insolvent)**

Neither of the Liquidator's, nor the Firm, have, or have had within the preceding 24 months, any relationships with the Company, an associate of the Company, a former insolvency practitioner appointed to the Company or any person or entity that has security over the whole or substantially whole of the Company's property.

**Prior Professional services to the Insolvent**

Neither of the Liquidator's, nor the Firm, have provided any professional services to the Company in the previous 24 months.

**No other relevant relationships to disclose**

There are no other known relevant relationships, including personal, business and professional relationships, from the previous 24 months with the Company, an associate of the Company, a former insolvency practitioner appointed to the Company or any person or entity that has security over the whole or substantially whole of the Company's property that should be disclosed.

**C Indemnities and up-front payments**

We have not been indemnified in relation to this administration, other than any indemnities that we may be entitled to under statute and we have not received any up-front payments in respect of my remuneration or disbursements.

Dated: 21 August 2023



**MALCOLM RUSSELL MOORE**  
LIQUIDATOR



**DAVID IAN RUSCOE**  
LIQUIDATOR

**Note:**

- 1 If circumstances change, or new information is identified, Malcolm Russell Moore and David Ian Ruscoe are required under the Companies Act 1993 and the RITANZ Code of Professional Conduct to update this Declaration and provide a copy to creditors with our next communication as well as table a copy of any replacement declaration at the next meeting of the insolvent's creditors.
- 2 Any relationships, indemnities or up-front payments disclosed in the DIRRI must not be such that the Practitioner is no longer independent. The purpose of components B and C of the DIRRI is to disclose relationships that, while they do not result in the Practitioner having a conflict of interest or duty, ensure that creditors are aware of those relationships and understand why the Practitioner nevertheless remains independent.

# Appendix B – Statement of Affairs

	Note	Per Company Records (NZ\$)	Estimated to realise (NZ\$)
<b>Assets</b>			
Digital assets	1, 2	656,777	Unknown
Accounts receivable		88,743	Unknown
Fixed assets		1,457	Unknown
<b>Total Assets</b>		<b>746,977</b>	<b>Unknown</b>
<b>Liabilities</b>			
<b>Secured creditors</b>			
GSA Holders		Unknown	Unknown
Trade creditors with security		Unknown	Unknown
<b>Preferential creditors</b>			
Employees		16,723	Unknown
IRD - GST and PAYE		203,702	Unknown
<b>Unsecured creditors</b>			
Customer liabilities	1, 2	6,938,615	Unknown
Trade creditors		50,304	Unknown
IRD – Small business COVID loan		21,578	Unknown
<b>Total Liabilities</b>		<b>7,230,922</b>	<b>Unknown</b>
<b>Estimated net assets/(liabilities)</b>		<b>(6,483,945)</b>	<b>Unknown</b>

## Notes

- Assets are stated at book value as at date of appointment. Until the reconciliation of what digital assets the Company holds occurs, we cannot confirm the NZD value of any digital assets held.
- Given the volatility of digital assets and the fact that a 3<sup>rd</sup> party controls some of these digital assets it is unknown what the realisation value in NZD will be.

# Appendix C – Schedule of known creditors

Creditor Name	Address
Allen Cooper	Address withheld
Amazon Web Services	Level 5, 18 Viaduct Harbour Ave, Auckland 1010
Cryptocurrency NZ Meetups	Address unknown
Dext Software	Unit 1.2 Techspace Shoreditch, 25 Luke Street, London EC2A 4DS
Future Sight Consulting	Unit 214, 20 Mason Avenue, Otahuhu, Auckland 1062
Green ID	Level 2, 40 Taranaki Street, Te Aro, Wellington 6011
Illion Open Data Solutions	B6, L2 Central Park, 666 Great South Rd, Ellerslie, Auckland 1051
Illion Solutions	Address unknown
Inland Revenue Department	PO Box 39090, Wellington Mail Centre, Lower Hutt
Iwantmyname	ideegeo Group LTD, c/o iwantmyname, PO Box 116, Napier 4110
Julia Malley	Address withheld
Longzhen Shen	Address withheld
Louis Lising	Address withheld
Only Office	Address withheld
OriginID	18 Broadway, Newmarket, Auckland 1023
Pantelis Roussakis	Address unknown
PHX Consulting	Address unknown
Sendgrid	101 Spear Street, Ste500, San Francisco, CA 94105
Sherry Tabanao	Address withheld
Slack Technologies	Address unknown
Stephen Macaskill	Address withheld
TECHEMY LIMITED	PO BOX 90497, Auckland, 1010
ZenDesk	7/395 Collins St, Melbourne, Victoria 3000, Australia

# Appendix D – Creditor Claim Form

## DIGITAL ASSET EXCHANGE LIMITED (IN LIQUIDATION)

Name and postal address of creditor in full:    Telephone Number:  Email address:  My Reference (if applicable) is:	<p>*Any personal information collected is for the purpose of administering the liquidation in accordance with the Companies Act 1993.</p> <p>The information will be used and retained by the Liquidator and will be released to other parties only with your authorisation or in compliance with the Privacy Act 1993.</p> <p>Under Section 304(1) any claim by an unsecured creditor must be in the prescribed form and must –</p> <ul style="list-style-type: none"> <li>• Contain full particulars of the claim; and</li> <li>• Identify any documents that evidence or substantiate the claim.</li> </ul> <p>You may have access to and request correction of any personal information.</p> <p>* (Not applicable, if creditor is not an individual within the meaning of the Privacy Act 1993)</p>
I _____ [If claim is made on behalf of creditor, specify relationship to creditor and authority] claim that the company was at the date it was put into liquidation indebted to the above named creditor for the sum of: [Amount in words and figures]: \$	
Either: I hold no security for the amount claimed; or I am surrendering my security and I am claiming as an unsecured creditor <b>[Omit whichever does not apply]</b>	
Full particulars of the claim are set out, and any supporting documents that substantiate the claim, are identified on the reverse of this form. <b>N.B. Copies of the documentation supporting this claim should be attached to this form and forwarded to the Liquidator in terms of section 304(2) of the Companies Act 1993.</b>	
Signed:	Date: / /

<p><b>WARNING</b></p> <p>It is an offence under Section 304(6) of the Companies Act 1993 to –</p> <ul style="list-style-type: none"> <li>• Make or authorise the making of, a claim that is false or misleading in a material particular knowing it to be false or misleading; or</li> <li>• Omit, or authorise the omission from a claim of any matter knowing that the omission makes the claim false or misleading in a material particular.</li> </ul>
--

Liquidator (Date Stamp)	<p><b>Reserved for Office Use:</b></p> <p><u>Claim rejected for payment:</u>      Signed: _____      Date: / /</p> <p><u>Claim admitted for payment:</u></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">           Preferential Claim for:            \$ _____         </td> <td style="width: 33%;">           Ordinary Claim for:            \$ _____         </td> <td style="width: 33%;">           Deferred Claim for:            \$ _____         </td> </tr> </table> <p>Signed _____      Dated: / /</p> <p>Signed Liquidator: _____</p> <p><b>Note: If the decision to admit or reject a claim is amended the Liquidation Regulations 1994 requires that it be recorded in writing</b></p>	Preferential Claim for: \$ _____	Ordinary Claim for: \$ _____	Deferred Claim for: \$ _____
Preferential Claim for: \$ _____	Ordinary Claim for: \$ _____	Deferred Claim for: \$ _____		

## Particulars of the Claim

Date	Details of Claim and Identification of Documents that Evidence or Substantiate the Claim	Amount \$
	<p>If applicable, less Retention of Title for Goods supplied by creditor to the company  <i>[Describe goods]</i></p> <p>If applicable, less debts owed by creditor to the company  <i>[Describe debts]</i></p>	

If applicable, please record here your GST Registration number:

and total GST included in your claim: \$

# Appendix E – Notice to creditors to prove debts or claims

**Digital Asset Exchange Limited (in Liquidation)**

Company Number: 6261371

Notice is hereby given that we have set 12 September 2023 as the day on or before which any creditors of the Company are to prove their debts or claims and to establish any priority their claims may have under Section 312 of the Act.

Creditors not having made a claim by this date may be excluded from the benefit of any distribution made before their claims are made, or, from objecting to any distribution.

Dated: 21 August 2023



**MALCOLM RUSSELL MOORE**  
LIQUIDATOR



**DAVID IAN RUSCOE**  
LIQUIDATOR

# Appendix F – Notice to Dispense with Meeting of Creditors

## Digital Asset Exchange Limited (in Liquidation)

Company Number: 6261371

Notice is hereby given that pursuant to section 245 of the Act we will not convene a meeting of creditors. A meeting will not be called unless within 10 working days after receiving this notice, a creditor gives notice in writing to the Liquidators requiring a meeting to be called.

In accordance with section 314 of the Act a creditor or a shareholder may request the Liquidators to call a meeting of the creditors or of the shareholders at any time during the course of the liquidation:

- a To vote on a proposal that a liquidation committee be appointed to act with the Liquidators; and
- b If it is decided to have a liquidation committee, to choose the members of the liquidation committee.

Pursuant to s243(1)(a) of the Act the Liquidators can be replaced at a meeting of the creditors.


Any request to convene a meeting must be in writing.

The Liquidators' may decline a request by a creditor or a shareholder to call a meeting on the grounds that:

- a The request is frivolous or vexatious;
- b The request was not made in good faith;
- c The costs of calling a meeting could be out of proportion to the value of the Companies' assets.

The decision to decline a request may be reviewed by the Court on the application of any creditor, or shareholder.

Dated: 21 August 2023



**MALCOLM RUSSELL MOORE**  
LIQUIDATOR



**DAVID IAN RUSCOE**  
LIQUIDATOR





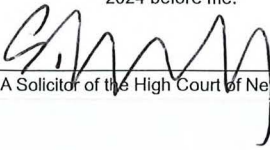
MRM C



"MRM C"

This is the document marked "MRM C" referred to in the affidavit of MALCOLM RUSSELL MOORE sworn at Auckland this 8 day of July 2024 before me:

Sean William Gourley  
Auckland  
Solicitor

  
A Solicitor of the High Court of New Zealand

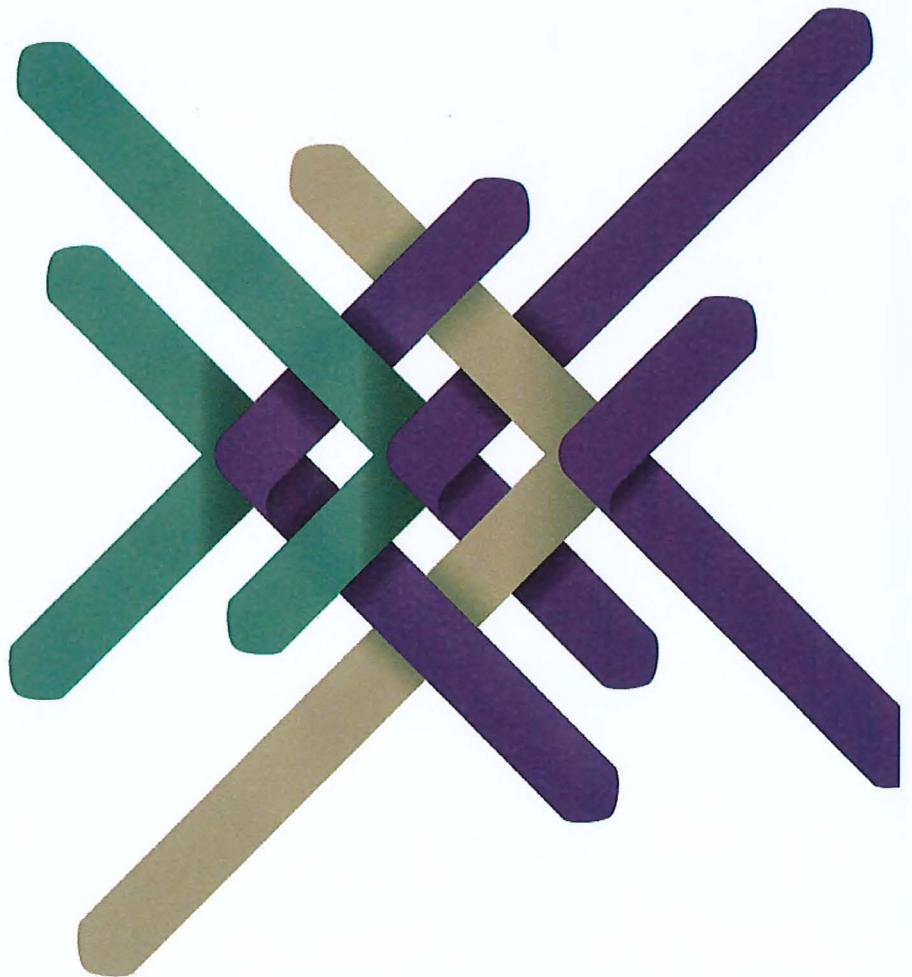
# Liquidators' Second Report on the State of Affairs of

Digital Asset Exchange Limited (in Liquidation)

Company number: 6261371

NZBN: 9429046068682

13 March 2024



# Contents

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# Introduction

David Ian Ruscoe (IP#50) and Malcolm Russell Moore (IP#42) of Grant Thornton New Zealand Limited (“Grant Thornton”) were appointed jointly and severally as Liquidators of Digital Asset Exchange Limited (“the Company”) on 14 August 2023 at 2:00pm by a special resolution of the shareholders pursuant to section 241(2)(a) of the Companies Act 1993 (“the Act”).

Liquidators of insolvent companies are required to be licensed insolvency practitioners. Information about the regulation of insolvency practitioners is available from the Registrar of Companies.

We have considered the Declaration of Independence, Relevant Relationships and Indemnities provided in our first report and confirm that there have been no changes to it.

We set out below our second report on the state of the affairs of the Company for the period from 14 August 2023 to 14 February 2024 (“the Period”) as required by section 255(2)(d) of the Act and section 7 of the Companies (Reporting by Insolvency Practitioners) Regulations 2020 (“the Regulations”).

## Restrictions

This report has been prepared by us in accordance with and for the purpose of section 255 of the Act and section 7 of the Regulations. This report is not intended for general circulation, nor is it to be reproduced or used for any purpose without the liquidators’ written permission in each specific instance.

The Liquidators, their employees and agents do not assume any responsibility or liability for any losses occasioned to any party for any reason including as a result of the circulation, publication, reproduction or use of this report contrary to the provisions of this paragraph.

The Liquidators reserve the right (but will be under no obligation) to review this report and, if considered necessary, to revise the report in light on any information existing at the date of this report which becomes known to them after that date.

We have not independently verified the accuracy of the information provided to us and have not conducted any form of audit in respect of the Company. We express no opinion on the reliability, accuracy or completeness of the information provided to us and upon which we have relied. Whilst all care and attention has been taken in compiling this report, we do not accept any liability whatsoever arising from this report.

The statements and opinions expressed in this report are based on information available and assumptions made as at the date of this report. It is possible that actual outcomes may be significantly different from those disclosed in this report.

In addition, the following should be noted:

- Certain values included in tables in this report have been rounded and therefore may not add exactly; and
- All amounts are stated in New Zealand dollars.

# Conduct of the liquidation

## Receipts and Payments

There have been no receipts or payments incurred by the Company since the commencement of the liquidation, as such, the Liquidators have not included a Statement of Receipts and Payments for the period.

## Digital asset recovery

The Liquidators have a responsibility to protect and preserve the Company's digital asset holdings for the benefit of those entitled to them.

Since being appointed the Liquidators have been in contact with the third-party exchange and have recovered the Company's reported digital assets. The Liquidators have obtained the majority of transactional information held by this party, which will form the basis for the investigations into the conduct of the company and its officers.

The Liquidators have begun the process of reconciling users' balances and actual digital assets held by the Company to quantify the shortfall in holdings. As detailed in the initial Liquidators report, we anticipate the shortfall to be significant, with potentially less than 10% of customer liabilities covered by digital assets the Company claims to have held at our appointment.

## Investigations

We continue to investigate the affairs of the Company and its Directors, including related parties, in the period prior to our appointment to determine if there are any further avenues of recovery available to the Company. Our duties as Liquidator require a transparent and robust investigation into the Company.

Given the potential shortfall detailed above the Liquidators have been in contact with the Financial Markets Authority and the Serious Fraud Office ("SFO"). The Liquidators are working with the SFO who have opened an investigation into the Company (SFO case number: 231333). The SFO encourages anyone who has relevant information to its investigation to contact them at [dasset@sfo.govt.nz](mailto:dasset@sfo.govt.nz).

As a registered Financial Service provider (FSP1004807), the Company was required to provide access to a dispute services process. We have been informed by the Insurance and Financial Services Ombudsman ("IFSO") that the Company was removed from the IFSO scheme prior to liquidation as it had not responded to complaints raised by the IFSO. During the period of this report the company was deregistered.

If any insolvent transactions or breaches of legislation have occurred, we will take appropriate action where it has the potential to increase the recovery available to creditors and report where required to the relevant authorities.

## Users

The Liquidators have attempted to contact all Users that are recorded by the Company as placing an order with the exchange within the last five years and are working towards confirming outstanding user balances.

The Liquidators are in the process of applying to the court for legal directions on the terms and conditions of the exchange to consider the relationship with its Users. Specifically, whether the Crypto Assets are held in trust for Users, or whether they should be for the benefit of all Company creditors.

No assets can be distributed (to Users or creditors) until the Court has made the directions judgement.

With the legal matters above the Liquidators are looking to establish a User claims process that is agnostic and suitable to both potential outcomes of this direction's application. If you have not done so already, we request that Users you contact [dasset@nz.gt.com](mailto:dasset@nz.gt.com) stating they would like to be included on the Users mailing list. We hope to launch this claims process in the coming months.

## Creditors

### Secured Creditors

At the date of our appointment, there were no security interests registered against the Company.

### Preferential Creditors

To date, we have received 3 claims from employees totalling \$35,533 and a preferential claim from the Inland Revenue Department for PAYE / GST for \$150,932.

At this stage, it is unknown if there will be any funds available to make payment to preferential creditors.

### Unsecured Creditors

To date, we have received five unsecured creditors' claims totalling \$305,458.

The updated statement of affairs per appendix B excludes digital assets and User liability values. This is due to the planned legal directions application on the terms and conditions of the exchange. This needs to be resolved to confirm whether Users are creditors or beneficiaries.

At this stage, it is unknown if there will be any funds available to make payment to unsecured creditors.

## Digital asset holdings

As previously discussed, the Company held digital assets on a third-party offshore exchange. While most transactions were captured by the Company internal systems, all user balances were reliant on the real-time reporting of this third-party. While this exchange has been forthcoming with information, the CEO of the Company is understood to retain the key knowledge of how the Company operated and how User records were stored. Despite numerous attempts to contact him, the CEO has not responded to the Liquidators since day 3 of the liquidation and is believed to be overseas. We continue to explore all avenues to contact and communicate with the CEO including any legal powers granted to us as Liquidators of the Company.

To date after numerous interactions, compliance requests and information exchanges with the third-party exchange, we have recovered 94 cryptocurrencies and tokens. However, as previously reported there is a significant shortfall between the reported level of users' holdings and the amount of digital assets held by the Company, with digital assets of c. \$0.6m vs. user liabilities of c. \$6.9m.

Given this large deficit, we have investigated the Company's trading records, with a particular emphasis on blockchain withdrawals. Based on our preliminary findings the Liquidators have identified a number of unexplained withdrawal transactions. These transactions have been traced using blockchain analytics tools to several offshore and decentralised virtual asset service providers who mostly do not have a New Zealand presence. This includes several centralised and decentralised exchanges that allow derivative trading. These transactions which are valued at millions of dollars appear to be responsible for the large deficit in assets.

## Remuneration Report

The Liquidators' have not been paid any remuneration during the Period, however, time costs incurred by the Liquidators' total \$214,805 exclusive of GST.

A detailed breakdown of the Liquidators' outstanding fees and disbursements during the Period is enclosed at Appendix A, including a schedule of the qualifications and experience generally of staff at each level. A schedule of the work relating to the remuneration received during the Period is also summarised in Appendix A.

# Remaining Matters

## Investigations

We continue to investigate the affairs of the Company and its directors in the period prior to our appointment to determine if there are any further avenues of recovery available to the Company.

## Estimated date of completion of the liquidation

It is not practicable to estimate the date of the completion of the liquidation at this stage.

Should you have any queries in relation to any matter raised in this report then please contact Tom Aspin on [dasset@nz.gt.com](mailto:dasset@nz.gt.com).

Dated: 13 March 2024



Malcolm Russell Moore  
Liquidator  
Digital Asset Exchange Limited (in Liquidation)

# Appendix A – Remuneration Report

## Section 1: Initial Advice to Creditors

### Explanation of Hourly Rates

The rates for our remuneration calculation are set out in the following table together with a general guide showing the qualifications and experience of staff engaged in the Liquidation and the role they take. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage.

Title	Description of title	Hourly rate (Exc. GST)
Partner	Accredited Insolvency Practitioner. Partner bringing specialist skills to Liquidations and Insolvency matters. Controlling all matters relating to the assignment.	\$650
Director	Qualified accountant and may be a Registered Insolvency Practitioner. Minimum 7/8+ years' experience. Highly advanced technical and commercial skills. Planning and control of all Liquidation and Insolvency tasks. Controlling substantial matters relating to the assignment and reporting to the appointee.	\$500
IT Specialist	Specialist IT Practitioner bringing specialist skills in Cybersecurity, IT forensics, AML and other IT related matters.	\$330 - \$450
Manager/Senior Manager	Typically Qualified. 5-8 years' experience. Well developed technical and commercial skills. Planning and control of Liquidation and Insolvency tasks with the assistance of the appointee.	\$380 - \$420
Senior Analyst	Typically Qualified. 3-4 years' experience. Required to conduct the fieldwork on small to medium Liquidations and Insolvency tasks and assist with fieldwork on larger Liquidations and Insolvency tasks.	\$250
Analyst	Typically undertaking Qualifications. Up to 3 years' experience. Required to conduct the fieldwork on smaller Liquidations and Insolvency tasks and assist with fieldwork on medium to large Liquidations and Insolvency tasks.	\$120 - \$150
Support Staff	Conducts all aspects relating to administering the accounts function and other functions as required.	\$170



## Section 2: Calculation of Remuneration

### Calculation of Remuneration – Time based charges

Charged on an hourly basis and per the hourly rates set out by time and cost charged by key category:

	Hourly Rate (\$ph)	Administration/ Statutory		Asset Realisation		Creditors/Users		Investigations		Legal Matters		Total	
		Hours	Cost (\$)	Hours	Cost (\$)	Hours	Cost (\$)	Hours	Cost (\$)	Hours	Cost (\$)	Hours	Cost (\$)
Partner	650	25.5	16,575	7.5	4,875	1.0	650	53.7	34,905	17.2	11,180	104.9	68,185
Director	500	-	-	3.0	1,500	-	-	57.5	28,750	28.5	14,250	89.0	44,500
IT Specialist	330-450	-	-	-	-	81.5	27,195	-	-	-	-	81.5	27,195
Senior Manager	420	30.0	12,600	32.0	13,440	-	-	54.0	22,680	7.5	3,150	123.5	51,870
Manager	380	1.5	570	4.5	1,710	5.0	1,900	2.8	1,064	-	-	13.8	5,244
Senior Analyst	260	2.0	520	-	-	3.5	910	-	-	-	-	5.5	1,430
Analyst	120-150	1.6	216	-	-	12.6	1,644	70.1	9,021	0.5	60	84.8	10,941
Support Staff	170	31.1	5,287	-	-	0.9	153	-	-	-	-	32.0	5,440
<b>Total</b>		<b>91.7</b>	<b>35,768</b>	<b>47.0</b>	<b>21,525</b>	<b>104.5</b>	<b>32,452</b>	<b>238.1</b>	<b>96,420</b>	<b>53.7</b>	<b>28,640</b>	<b>535.0</b>	<b>214,805</b>

### Basis of Disbursement Claim

Disbursements	Total (\$ exc. GST)
Travel (flights, car rental, accommodation etc)	999
Amazon Web Services hosting	27,067
Misc. Incidentals and Advertising	6,556
Total Disbursements	34,622
Total Fees	214,805
<b>Total Liquidators costs</b>	<b>249,427</b>

## Section 3: Description of Work

Summary of work performed in relation the Liquidators' remuneration for the Period:

Task Area	General Description	Includes
Assets	Debtors	<ul style="list-style-type: none"> <li>Correspondence with debtors</li> <li>Reviewing and assessing debtors ledgers</li> <li>Liaising with debt collectors and solicitors</li> </ul>
	Crypto Assets	<ul style="list-style-type: none"> <li>Review of company assets</li> <li>Reviewing notional values from Crypto markets of recovered assets</li> <li>Liaising with 3<sup>rd</sup> Party exchange around compliance requests and other incidentals</li> <li>Securing assets into cold storage and custodian control</li> </ul>
	Other Assets	<ul style="list-style-type: none"> <li>Tasks associated with realising other assets</li> </ul>
Creditors/Users	Creditor Enquiries	<ul style="list-style-type: none"> <li>Receive and follow up creditor enquiries via telephone and email.</li> <li>Maintaining creditor enquiry register</li> <li>Review and prepare correspondence to creditors and their representatives via email</li> </ul>
	IT specialist environment	<ul style="list-style-type: none"> <li>Imaging exchange environment including User databases</li> <li>Secure transfer of AWS tenancy to Liquidators control included access controls</li> </ul>
	Creditor reports	<ul style="list-style-type: none"> <li>Preparing statutory report, investigation, meetings and general reports to creditors</li> </ul>
	Dealing with proofs of debt	<ul style="list-style-type: none"> <li>Receipting and filing Proofs of Debt</li> <li>Corresponding with Proofs of Debt</li> </ul>
Administration/Statutory	Company office obligations	<ul style="list-style-type: none"> <li>Filing with Companies Office</li> </ul>
	Planning/Review	<ul style="list-style-type: none"> <li>Meetings and engagement planning</li> </ul>
	Report as to Affairs	<ul style="list-style-type: none"> <li>Directors Questionnaire</li> <li>Completion deadlines and extensions</li> <li>Drafting press releases for stakeholders</li> </ul>
Investigations	Tracing exercises	<ul style="list-style-type: none"> <li>Using blockchain analytics tools on Cryptocurrency transactions</li> <li>Transaction analysis</li> </ul>
	Company/Directors duties	<ul style="list-style-type: none"> <li>Reviewing company solvency and financial reporting</li> <li>Investigating director's duties</li> <li>Review of IT environment and company mailboxes</li> <li>Inspection of service agreements</li> <li>Reviewing conduct of companies for breaches of Companies Act</li> <li>Interviews with Directors and Shareholders</li> </ul>
	Regulator engagement	<ul style="list-style-type: none"> <li>Attending to regulatory/statutory requests</li> <li>Meetings with regulators</li> </ul>
Legal Matters	Identity verification scoping	<ul style="list-style-type: none"> <li>Initial review of customer database, collected KYC and other identity requirements.</li> <li>Crypto specific obligations</li> </ul>
	Legal memos	<ul style="list-style-type: none"> <li>Preparing legal memos on Liquidation progress and findings</li> </ul>

# Appendix B – Statement of Affairs

	Note	First Report Estimated to realise (NZ\$)	Second Report Estimated to realise (NZ\$)
<b>Assets</b>			
Digital assets	1	Unknown	Unknown
<b>Total Assets</b>		<b>Unknown</b>	<b>Unknown</b>
<b>Liabilities</b>			
User liabilities	1	Unknown	Unknown
<b>Preferential creditors</b>			
Employees		Unknown	35,533
IRD - GST and PAYE		Unknown	150,933
<b>Unsecured creditors</b>			
Trade creditors		Unknown	19,350
IRD – Unsecured portion		Unknown	286,108
<b>Total Liabilities</b>		<b>Unknown</b>	<b>Unknown</b>
<b>Estimated net assets/(liabilities)</b>		<b>Unknown</b>	<b>Unknown</b>

## Notes

1. The statement of affairs excludes digital assets and user liabilities values. This is due to the planned legal directions application on the terms and conditions of the exchange. This needs to be resolved to confirm whether Users are considered creditors or beneficiaries.

# Appendix C – Schedule of Known Creditors

Creditor Name	Address
Allen Cooper	Address withheld
Amazon Web Services	Level 5, 18 Viaduct Harbour Ave, Auckland 1010
Cryptocurrency NZ Meetups	Address unknown
Dext Software	Unit 1.2 Techspace Shoreditch, 25 Luke Street, London EC2A 4DS
Future Sight Consulting	Unit 214, 20 Mason Avenue, Otahuhu, Auckland 1062
Green ID	Level 2, 40 Taranaki Street, Te Aro, Wellington 6011
Illion Open Data Solutions	B6, L2 Central Park, 666 Great South Rd, Ellerslie, Auckland 1051
Illion Solutions	Address unknown
Inland Revenue Department	PO Box 39090, Wellington Mail Centre, Lower Hutt
Iwantmyname	ideegeo Group LTD, c/o iwantmyname, PO Box 116, Napier 4110
Julia Malley	Address withheld
Longzhen Shen	Address withheld
Louis Lising	Address withheld
Only Office	Address withheld
OriginID	18 Broadway, Newmarket, Auckland 1023
PHX Consulting	Address unknown
Sendgrid	101 Spear Street, Ste500, San Francisco, CA 94105
Sherry Tabanao	Address withheld
Slack Technologies	Address unknown
Stephen Macaskill	Address withheld
TECHEMY LIMITED	PO BOX 90497, Auckland, 1010
ZenDesk	7/395 Collins St, Melbourne, Victoria 3000, Australia

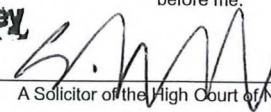




"MRM D"

This is the document marked "MRM D" referred to in the affidavit of MALCOLM RUSSELL MOORE sworn at Auckland this 8 day of July 2024 before me:

Sean William Courley  
Auckland  
Solicitor

  
A Solicitor of the High Court of New Zealand

# Terms and Conditions

These Terms and Conditions are a legal contract and govern access to our Site and Services.

Last updated on 06 October 2020

Please read these Terms and Conditions carefully.

By accessing our Site and using our Services, you agree to be legally bound by this [Privacy Policy](#) and the Terms and Conditions, as they may be updated from time to time. If any term in these Terms and Conditions or in our Privacy Policy is not acceptable to you, please do not visit the Site or use the Services.

The [Important Information](#) section and the Risks of Use section are deemed to form part of these Terms and Conditions. You can access them [here](#). Please read them carefully. Capitalised terms used in these Terms and Conditions are explained in the Glossary at the end.

## 1. General Use

### 1.1 Eligibility

You are only permitted to access the Services if you are an Approved User. This means you must meet all of the following criteria:

- If you are an individual, you must be legally residing in New Zealand aged 18 years or older.
- If you are an entity, you must be incorporated and residing in New Zealand.
- You must have the capacity and, in the case of an entity, be authorised, to enter into and to be bound by the Terms and Conditions

and the [Privacy Policy](#).

- You must provide all of the information required to set up a User Account under clause 2.1.
- Dasset must be satisfied with the outcome of the identity, fraud, background checks, and other money-laundering and terrorist financing checks it (or any third party) conducts in relation to you at any time.

## 1.2 Your general agreements and promises

By accessing the Services, you:

- promise that, if you are an individual, you are residing in New Zealand aged 18 years or older with the capacity to enter into and be bound by the Terms and Conditions and the [Privacy Policy](#);
- promise that, if you are an entity, you are incorporated and residing in New Zealand; have capacity, and are authorised, to enter into and be bound by the Terms and Conditions and the [Privacy Policy](#); and the person acting on your behalf is authorised to do so;
- authorise Dasset to make any inquiries it considers necessary, from time to time, to verify your identity, undertake fraud checks, and to meet its anti-money laundering and other legal obligations;
- confirm that you have read the [Important Information](#) section, these Terms and Conditions and the [Privacy Policy](#);
- agree to being bound by the Terms and Conditions and our [Privacy Policy](#), which is deemed to occur when you access our Site and/or use our Services, and promise to comply with them;
- promise to pay all fees associated with the Transactions and the Services which are set out in the [Fee Schedule](#), accessible [here](#), and any additional miner fees.
- promise to ensure that any personal information you provide to Dasset is accurate, current and complete and relates solely to you, and to update us if it changes;
- promise to provide us with any additional information which we request to comply with our legal responsibilities as soon as is reasonably practicable;
- confirm that you have sufficient knowledge of Digital Currencies to enter into Transactions, and understand that you are solely responsible for determining the nature, potential value, suitability, and appropriateness of the Services;
- confirm that you accept the risks of using the Services and accessing the Site, and have read and understand the "Risks of Use" set out [here](#);
- agree to arbitration on the terms set out in clause 16.2 (Arbitration) of these Terms and Conditions; and
- acknowledge that Dasset has not advised you to, nor recommended to you that you should, use the Services or deal in Digital Currencies.

## 2. Your User Account

### 2.1 Creating a User Account

To use the Services, you must first create your registered User Account and have it activated.

- To set up your User Account you must provide your name, an e-mail address, set a password and affirm your acceptance of these Terms and Conditions and the [Privacy Policy](#) by clicking the “Sign up” button. We also strongly recommend that you enable the “two-factor authentication” option in the ‘Security Settings’.
- To have your User Account activated, we must receive the following verified information:
  - for an individual, your full name, date of birth, and driver’s licence or passport number
  - for an entity, your legal registration number
  - your phone number
  - your residential or business address and previous addresses
  - confirmation as to whether you are the beneficial owner of the account (that is, confirmation that are you the sole person who exercises effective control over the account and owns the account) and, if not, the equivalent information for each other beneficial owner of the account
  - any additional information, such as photo identification, source of funds, and source of wealth needed to comply with regulations (such as enhanced due diligence requirements under the anti-money laundering laws or FATCA, or source of funds information).

### 2.2 Purpose of your User Account

Once established, you can access the Services through your User Account. Specifically, your User Account:

- is linked to your Legal Tender Account and your Digital Currency Wallet (see clauses 3 and 4 below); and
- contains a record of your Transactions.

We recommend that you only log into your User Account directly through the Dasset Site ([www.dassetx.com](http://www.dassetx.com)). This will minimise the risk of you inadvertently exposing your User Account or Dasset Wallets to unauthorised access or attacks.

### 2.3 Your promises in relation to your User Account

You promise:



- to create a strong password for your User Account. This means you must select a password which is different from any other password you use for any other website or online service, and which cannot be easily guessed. You must change your password at regular intervals, and immediately if you suspect your password has been compromised;
- to keep your User Account login and password and any forms of multi-factor authentication confidential and separate from each other, as well as separate from any other information or documents relating to your User Account or Dasset Wallets (and your private key(s));
- not to let any person access your User Account or your Dasset Wallets at any time without our prior written permission;
- not to leave your computer, phone or other device unattended while you remain logged in to your User Account or your Dasset Wallets;
- not to open more than one User Account without our prior written permission; and
- to notify us immediately if you identify or suspect any unauthorised access of your User Account or your Dasset Wallets.

## 2.4 Your confirmations in relation to your User Account

You confirm that:

- Dasset may make inquiries directly or through third parties which we consider necessary to verify your identity and/or to protect against fraud, terrorism financing or money-laundering;
- you understand that you are responsible for maintaining the security of your User Account login and password, any forms of multi-factor authentication and your private key(s);
- you understand that anyone accessing your User Account will be able to enter into Transactions using your Dasset Wallets, and Dasset has no obligation to verify or take any steps to verify any instruction received from you or appearing to be sent by you; and
- you understand that, by using the Services, you are fully responsible for and accept all risks of unauthorised access to your User Account or to your Dasset Wallets which is caused by your negligence or breach of these Terms and Conditions.

## 3. Your Legal Tender Account

### 3.1 Purpose of your Legal Tender Account

You can use your Legal Tender Account to fund the purchase of Digital Currencies, and to receive the proceeds of sale of your Digital Currencies, using the Services.

### 3.2 Activating your Legal Tender Account

To activate your Legal Tender Account, you must:

- link it to a New Zealand registered bank account in your name; and
- transfer funds from that bank account to the Dasset Custodial Bank Account which will then be reflected by an update to the balance of your Legal Tender Account.

### 3.3 Fees

Dasset will not charge any fees in relation to bank transfers into the Dasset Custodial Bank Account.

### 3.4 Operation of your Legal Tender Account

- Dasset will maintain a separate bank account with Crown Money (the Dasset Custodial Bank Account).
- The funds you transfer to the Dasset Custodial Bank Account will be pooled with funds transferred into it by other Approved Users.
- We undertake to you that the credit balance of the Dasset Custodial Bank Account will at all times be an amount equal to the aggregate value of the amount of Legal Tender transferred to and received in clear funds to that account by all Approved Users at that time, less the amount of any fees at that time.
- You will have no right to earn interest on the amount of Legal Tender reflected in your Legal Tender Account. Dasset will retain the amount of any interest earned on the balance of the Dasset Custodial Bank Account to cover costs incurred in operating the account and providing the Services.
- Once Dasset confirms receipt of Legal Tender from you in cleared funds into the Dasset Custodial Bank Account, the value of the transferred Legal Tender less any applicable fees will be credited to your Legal Tender Account as soon as is practicable.
- Dasset will not use, nor permit the use, of any of the funds held in the Dasset Custodial Bank Account for any corporate purpose, nor charge or encumber it in any manner. We will require the account bank to waive its set-off rights in respect of the Dasset Custodial Bank Account.
- Please note that Legal Tender held in the Dasset Custodial Bank Account is not money deposited with or lent to or owing by Dasset to you. Upon transferring any Legal Tender into the Dasset Custodial Bank Account, the legal rights to those funds will be vested in the account holder, as account holder. You will have a beneficial right to funds in the Dasset Custodial Bank Account equal to the face value of the credit balance of your Legal Tender Account, less any fees you owe to Dasset. The funds in the Dasset Custodial Bank Account are owed to the account holder by the account bank.

- When you authorise a withdrawal from your Legal Tender Account, Dasset will immediately debit your Legal Tender Account for the withdrawn amount. Funds will be received into your nominated bank account at a New Zealand-registered bank within three (3) business days, net of any applicable bank fees and Dasset fees.
- We will send you an email confirmation of all deposits into or withdrawals from your Legal Tender Account.
- Certain deposit or withdrawal requests may not be processed outside of normal banking hours. We will typically process deposits and withdrawals within one (1) business day.
- You are not permitted to charge or to use your entitlement to funds in the Dasset Custodial Asset, or your rights to your Legal Tender Account, as security for any purpose.

### **3.5 Your confirmations in relation to your Legal Tender Account**

You confirm you understand that:

- you alone are permitted to access your Legal Tender Account, and to transfer funds to it and to withdraw funds from it;
- if you have initiated a Transaction which will involve the application of funds from your Legal Tender Account, those funds will be held and unavailable for other use from the time you initiate the Transaction until the time it has settled or been cancelled; and
- the credit balance of your Legal Tender Account is not guaranteed by Dasset nor any other person (including, for the avoidance of doubt, any New Zealand government-backed deposit insurance scheme or any bank or insurer).

## **4. Your Digital Currency Wallet**

### **4.1 Purpose of your Digital Currency Wallet**

Your Digital Currency Wallet allows you to send supported Digital Currencies to, and to receive and store supported Digital Currencies from, third parties on your instructions, using the Services.

### **4.2 Supported Digital Currencies**

- Dasset currently supports the list of Digital Currencies reflected on our exchange site, accessible [here](#). However, the nature of the Digital Currencies that Dasset supports is subject to change, and could change without notice to you if this is required as a result of law, any order of a court of governmental agency, any change to the operating

rules in the underlying Digital Currency 's network, or any technological issue outside of our reasonable control.

- Dasset supports only the "advanced protocols" reflected on our exchange site, accessible [here](#). It does not support any other protocols such as metacoins, coloured coins, side chains, or other derivative, enhanced or forked protocols, tokens or coins which supplement or interact with a Digital Currency supported by Dasset.

### 4.3 Fees

Dasset will charge the Transaction fees set out in the Fee Schedule, accessible [here](#).

In addition, all Transactions need to be confirmed by 'miners' which group transactions into 'blocks' and add those blocks to the relevant network underlying the specific Digital Currency. When making a Digital Currency Deposit, you may need to pay the applicable 'miner fee' (i.e. network fee) to confirm the transaction on the network. To do this, you need to make sure your transaction includes a sufficient miner fee to be confirmed. Insufficient fees will delay the processing of a Transaction. Dasset may charge miner fees to process a Digital Currency withdrawal on your behalf. If we do so, Dasset will calculate the miner fee in our discretion and notify you of the amount of the fee at or before the time you authorise the Transaction.

### 4.4 Operation of your Digital Currency Wallet

- We will send you an email confirmation of all transactions relating to your Digital Currency Wallet.
- Dasset securely stores all Digital Currency private keys in our control in a combination of online and offline storage. As a result, it may be necessary for Dasset to retrieve certain information from offline storage in order to facilitate a Digital Currency Transaction in accordance with your instructions. This may delay the initiation or crediting of the relevant Digital Currency Transaction for up to 48 hours, or longer in some circumstances.

### 4.5 Your confirmations in relation to your Digital Currency Wallet

You confirm that you understand and accept the following:

- Dasset will process your Transactions in accordance with your instructions, and you should carefully verify all instructions before placing any Orders. If there is an error in those instructions, then that is your risk and Dasset does not accept any responsibility or liability.
- When you transact with another Approved User through the Site (a **Counterparty**), there is a risk that the Counterparty may cancel the Transaction before the order is executed. You understand that Dasset

cannot require a Counterparty to complete any Transaction and is not responsible for liable for any such Counterparty default. If you believe a Counterparty has behaved in a misleading or fraudulent manner, or otherwise in breach of these Terms and Conditions, please notify us immediately at [support@dassetx.com](mailto:support@dassetx.com) so that we can determine what action, if any, to take.

- Your Digital Currency Wallet is available only in connection with the Digital Currencies that Dasset supports at any time, in its discretion. As set out in clause 4.3 above, these supported Digital Currencies are subject to change. Dasset assumes no responsibility or liability for any attempt to use your Digital Currency Wallet for Digital Currencies that Dasset does not support at that time.
- Dasset does not control or own any of the underlying networks or software protocols that govern the operation of the Digital Currencies supported by Dasset.
- Dasset does not stand behind or underwrite any Transaction you enter into using the Dasset exchange.
- A Digital Currency Withdrawal may be delayed as a result of Dasset retrieving information from offline storage.
- Dasset has the right to refuse to process or to cancel any pending Order or Transaction at any time if it is required to do so at law or in response to a court or government order, or to enforce transaction limits, or if any Suspension Event occurs.
- Digital Currencies are a risky asset class and trading in Digital Currencies increases those risks. You confirm that you have read the Risks of Use set out [here](#) and agree to accept those risks.
- The amount or value of the Digital Currencies in your Digital Currency Wallet is not guaranteed or underwritten by Dasset nor by any other person, and you could lose the Digital Currencies, or the value of the Digital Currencies, stored in your Digital Currency Wallet in a short period of time. In that case, you will have no recourse to Dasset or to any other person for your loss (including loss of profit), or any liability or inconvenience that results.

## 5. Dasset Ledger

Dasset maintains a private exchange ledger (the **Dasset Ledger**) to track each Approved User's Legal Tender Account balance and the Digital Currencies reflected in his or her Digital Currency Wallet.

Entries in the Dasset Ledger are not recorded on a blockchain or otherwise published. Only transfers of Digital Currencies into, or transfers of Digital Currencies out of, your Digital Currency Wallet will be confirmed and visible on a blockchain.

## 6. Dasset Transactions

### 6.1 Transaction Services

Dasset offers Approved Users the ability to enter into the following Transactions in accordance with these Terms and Conditions:

- Buy Transactions
- Sell Transactions; and
- Exchange Transactions.

Dasset does not currently offer any margin trading, options trading, or shorting.

Dasset does not make any warranty or representation in relation to any Counterparty and cannot confirm that a Counterparty will perform its Transaction obligations.

**Please note:** A Transaction is not complete while it is in a pending state. Funds associated with Transactions that are in a pending state will be designated as such and will not be available to conduct other Transactions (including withdrawals).

### 6.2 Access to Transaction Services

We can impose any conditions or restrictions on your access to the Transaction Services at any time without prior notice. These may include limits on the number or value of Transactions.

### 6.3 Transaction Limits

We may impose Transaction limits from time to time. In particular, we reserve the right to review any withdrawals and to request further information before releasing funds for regulatory and fraud prevention purposes.

### 6.4 Cancellation of Transactions

You cannot revoke or cancel an Order once you have placed it. However, you can submit a request to cancel the Transaction to which that Order relates by clicking on the 'Cancel Sells' or 'Cancel Buys' or 'Cancel All' button (as appropriate) on the Dasset Exchange dashboard (a **Cancellation Request**).

The Cancellation Request will only be effective if you submit it before the Order is filled.

However, Dasset can unilaterally cancel any Transaction if:

- it considers this necessary or prudent due to a suspicion that the Transaction involves money laundering, terrorist financing or another illegal activity;
- it relates to a Prohibited Use; or
- it is required to do so by a court order or government agency.

## 6.5 Transaction Records

Dasset maintains the records of these offers in our Order Book. When Dasset's trading engine matches buy and sell offers in our order book, we record the trade on our Dasset Ledger. This transfers ownership of the seller's traded Digital Currencies to the relevant buyer.

## 7. Buy Transactions

### 7.1 Nature of a Buy Transaction

All Buy Transactions:

- involve the purchase of supported Digital Currencies with Currency from your Currency Account at the Market Rate; and
- settle immediately, provided a sufficient amount of Currency has been pre-loaded to your Legal Tender Account; and
- are recorded on our Dasset Ledger.

### 7.2 Buy Transaction process

- You can place an order to buy Digital Currency (a **Buy Order**) on the Dasset Exchange. By doing so, you authorise Dasset to initiate debits from the applicable Dasset Wallet and initiate a transfer to your Digital Currency Wallet.
- When you place a Buy Order, the full amount of purchase price and associated fees in Currency will be placed on hold or marked as pending in your Legal Tender Account. This means you cannot withdraw or use those funds for any other purpose until the Buy Transaction settles, expires or is cancelled.
- After your Buy Order has been placed, we will send you an email when it has completed, or if it has only been partially filled, as applicable.
- We will use all reasonable efforts to fulfil any Buy Order. However, if we cannot fulfil your Buy Order, we may notify you by email and seek your order to fulfil the Buy Order at the Market Price.
- Dasset reserves the right to unilaterally cancel any unfilled portion of any Buy Order that changes the best bid or best offer by more than

twenty percent (20%) in either direction, or is otherwise clearly erroneous.

### 7.3 Buy Limits

You can enter a Stop Limit or an Order Limit for your Buy Transaction on the Dasset Exchange dashboard.

### 7.4 Partial completion

If a Buy Transaction order only partially fills, the amount of Currency required to settle the balance (including fees) will remain on hold until the remaining Buy Order is filled, expires, or is cancelled.

### 7.5 Your confirmations in relation to Buy Transactions

In placing any Buy Order or entering into any Buy Transaction, you confirm your understanding of, and your agreement to, the following:

- It is your responsibility to confirm the Buy Transaction details are accurate, including the number of Digital Currencies you intend to buy, the amount of any fees, the gross purchase price for your Buy Order, and the amount and nature of the Digital Currencies to be transferred into your Digital Currency Wallet after completion
- Once placed, a Buy Order cannot be revoked; it can only be cancelled by submitting a separate cancellation request
- It is solely your responsibility to cancel any Buy Order (or part of Buy Order) that you do not want filled
- If you place a Buy Order, there is a risk that it will be filled (in whole or part) if you have a positive balance in your Legal Tender Account before any cancellation request is received
- Dasset has no liability or responsibility to you in the above circumstances. (This does not limit the other terms in these Terms and Conditions)

## 8. Sell Transactions

### 8.1 Nature of a Sell Transaction

All Market Sell Transactions:

- involve the sale of supported Digital Currencies for Currency at the Market Price;
- settle immediately from a pre-funded Digital Currency Wallet; and
- are recorded on our Dasset Ledger.



## 8.2 Sell Transaction process

- You can place an order to sell Digital Currency (a **Sell Order**) on the Dasset Exchange. By doing so, you authorise Dasset to initiate debits from your applicable Digital Currency Wallet and initiate a transfer to the applicable Dasset Wallet.
- When you place a Sell Order, the full amount of Digital Currencies offered for sale are placed on hold in your Digital Currency Wallet. This means you cannot deal with those Digital Currencies for any other purpose until the Sell Transaction settles, expires or is cancelled. Any fees associated with the Sell Transaction will be deducted by Dasset from the sale proceeds before they appear in your Legal Tender Account.
- After you have placed your Sell Order, we will send you an email when it has completed, or if it has only been partially filled, as applicable.
- Dasset reserves the right to unilaterally cancel any unfilled portion of any Sell Order that changes the best bid or best offer by more than twenty percent (20%) in either direction, or is otherwise clearly erroneous.

## 8.3 Sell Limits

You can enter a Stop Limit or an Order Limit for your Sell Transaction on the Dasset Exchange dashboard.

## 8.4 Partial completion

Until the Sell Order fills, expires or is cancelled, the value of the Digital Currencies being offered for sale will not be available to be used for any other purpose, including other sell orders or withdrawals. For partially filled sell orders, the unfilled portion of Digital Currencies offered for sale will remain on hold until the remaining sell order is filled, expires, or is cancelled.

## 8.5 Your confirmations in relation to Sell Transactions

In placing any Sell Order or entering into any Buy Transaction, you confirm your understanding of, and agreement to, the following:

- It is your responsibility to confirm the Sell Transaction details are accurate, including the number of Digital Currencies you intend to sell, the amount of any fees, the gross sale price, and the net sale proceeds to be transferred to your Legal Tender Account
- Once placed, a sell order cannot be revoked and is only able to be cancelled by submitting a separate cancellation request
- It is solely your responsibility to cancel any Sell Order (or part of any Sell Order) that you do not want filled

- If you place a Sell Order, then there is a risk that it will be filled (in whole or part) if you have Digital Currencies in your Digital Currency Wallet before any cancellation request is received
- Dasset has no liability or responsibility to you in the above circumstances. (This does not limit the other terms in these Terms and Conditions)

## 9. Dasset Exchange

- The Dasset Exchange operates order matching engines for each trading pair. Dasset currently supports the trading pairs listed [here](#). Our marketplace operates 24 hours a day, seven days a week (except for brief maintenance periods).
- We require that all trades be pre-funded (that is, you must have sufficient funds in your applicable Dasset Wallet before you can trade).
- Trading fees apply. They are set out in the Fee Schedule, accessible [here](#).

## 10. Suspension

### 10.1 Suspension Events

Dasset may suspend the Services in any of the following cases without prior notice for any period it determines in its discretion (each a Suspension Event) if it considers it necessary or desirable to do so:

- as a result of any Prohibited Use;
- following a “hard fork” or other sudden change in operating rules in any underlying digital asset network
- following a force majeure event or a market disruption event
- to comply with law, whether or not following a change in applicable law or regulator guidance

### 10.2 Consequences of a Suspension Event

- If a Suspension Event occurs, Dasset can suspend one or more Services to one or more (or all) Approved Users for so long as Dasset determines, in good faith, as is required or prudent in view of the interests of Dasset and its Approved Users (or affected Approved Users).
- Dasset will not be liable to any Approved User or other person for any loss (including any loss of profit), liability or inconvenience arising as a

result of any Suspension Event, or the suspension of any Services or access to the Site arising from action taken following a Suspension Event.

- If Dasset considers that it is practicable and prudent for it to do so in the circumstances of the Suspension Event, and in view of the interests of Dasset and its Approved Users (or the affected Approved Users), it will give you the opportunity to withdraw your Digital Currencies from your Digital Currency Wallet and transfer them to another service (that is, a service which is not provided by Dasset).

## 11. No Prohibited Use

### 11.1 Prohibited Use

It is prohibited to use the Site or to access any Service for any of the following purposes or uses (each a **Prohibited Use**):

- To conduct or engage in any illegal activity;
- To hide or disguise the proceeds of any illegal activity;
- To infringe our proprietary intellectual property, or the proprietary intellectual property of any other person;
- To engage in gambling;
- In relation to any Digital Currency that Dasset does not support at the relevant time;
- To engage in any deceptive, fraudulent or malicious activity, including by launching malware or viruses, or seeking to hack into any Wallets or steal any Digital Currencies or funds held by any other Approved User;
- To reverse-engineer, decompile, disable, or disassemble any software running on the Site;
- To promote any securities;
- To harm Dasset, any person associated with Dasset, or any third party;
- If you are not an Approved User;
- To offer, or to purport to offer, any Service to any person who is not an Approved User; or
- To engage in any other use or activity which breaches these Terms and Conditions.

### 11.2 Consequences of engaging in any Prohibited Use

Dasset may block or refuse any person (including any Approved User) from accessing the Site and/or any Services or any Transaction if it believes in good faith that such person, Service or Transaction is connected with any

Prohibited Use. Dasset does not need to provide any prior notice or explanation if it invokes this right.

## 12. Our Rights and Remedies

### 12.1 Additional rights

In addition to exercising our rights under clause 10 (Suspension) and/or clause 11 (No Prohibited Use), in the event we believe you have breached or are breaching any of these Terms and Conditions or any applicable law, we may do any of the following:

- limit your access to or activities on the Site;
- warn any Users or Approved Users of your actions;
- issue a warning to you;
- suspend or cancel your access to the Sites;
- advise any regulators and co-operate fully with any law enforcement authorities which may include disclosing information we hold about you about you.

### 12.2 Additional rights

This clause 12 does not limit any of our other rights and remedies at law.

## 13. Our fees

### 13.1 You agree to pay fees

You agree to pay all fees associated with or incurred by you in connection with the Orders you place, the Transactions you complete and the other Services we provide you.

### 13.2 Our Fee Schedule may change

Our current Fee Schedule can be found [here](#) and is deemed to form part of these Terms and Conditions.

We reserve the right to change, modify or increase our Fee Schedule at any time.

We will update our Fee Schedule no later than fourteen (14) calendar days before changes are to take effect. Your use of the Services following any

update to our Fee Schedule is considered to be your acceptance of any such changes.

## 14. Taxes

### **14.1 You are responsible for paying all applicable taxes**

It is your responsibility to determine what, if any, taxes you must pay in relation to the Transactions and on any of the Digital Currencies you hold in your Digital Currency Wallet, or otherwise.

### **14.2 Dasset makes no representations in relation to tax liabilities**

Dasset makes no representation as to your tax liabilities, or the tax liabilities of any other Approved User.

### **14.3 Dasset assumes no tax liability to any Approved User**

Dasset assumes no responsibility for the tax liability of you or any other Approved User, not for collecting, reporting, withholding or remitting any taxes arising from any Transactions that you may enter into.

## 15. Liability and Indemnity

### **15.1 Exclusion of liability**

To the extent permitted by law, Dasset and its related companies exclude all liability and responsibility for any loss, damages, costs or expense, whether in tort (including negligence), contract or otherwise and whether direct, indirect, or consequential (including in connection with business interruption), which you or any other person may suffer or incur in connection with the Services the use or inability to use the Site, and in respect of any Digital Currency or otherwise.

Where and to the extent liability for breach or any implied warranty or condition, or otherwise, cannot be excluded, Dasset's liability to you is limited (at your option) to:

- the total amount of the fees we have earned from you as a result of supplying the Services to you; or
- the supply of the Services to you again.

Dasset is not liable in any way whatsoever to you or anyone else for any financial decision or action taken by you or anyone else using the Services.

**Important:** In providing the Services, Dasset is required to provide certain guarantees that cannot be excluded under consumer law, if you are using the Services for personal use, including guarantees as to the acceptable quality and fitness of purpose of the Services. Nothing in these Terms will be read or applied so as to exclude, restrict or modify or have the effect of excluding, restricting or modifying any condition, warranty, guarantee, right or remedy implied by the law and which by law cannot be excluded, restricted or modified, even if any other provision of these Terms and Conditions would otherwise suggest that this might be the case.

## 15.2 No warranty

To the extent permitted by law we do not warrant the reliability, availability, accuracy, completeness or timeliness of information on the Site. All information is provided "as is" without warranty of any kind, express or implied. This includes (but is not limited to) implied warranties of merchantability, fitness for a particular purpose, title or non-infringement.

## 15.3 Dasset's liability is limited

Without limiting the other terms in these Terms and Conditions, you acknowledge that Dasset bears no liability for any damage, loss (including loss of profit), delay or inconvenience, or failure in performance or interruption of Service or Transaction, in each case caused by or resulting from (directly or indirectly):

- any computer virus, spyware, scareware, Trojan horse, worms or other malware or cyber, phishing or spoofing attack that may affect your computer or other device, or the data held by Dasset (including in respect of your Dasset Wallet);
- any cause or condition beyond our reasonable control, including but not limited to, any delay or failure due to any act of God, act of civil or military authority, act of terrorism, civil disturbances, war, strike or other labour dispute, fire, interruption in telecommunications or internet services or network provider services, failure of equipment or software, cyber-attack, or other occurrence or catastrophe;
- any "hard fork", "soft fork", or other change in the operating rules of an underlying Digital Currency network;
- our good faith election not to support an unsupported branch of a forked protocol, or to configure or reconfigure our systems as a result of the forked protocol or other change to the operating rules;
- any suspension of Services following a Suspension Event or as otherwise permitted under these Terms and Conditions;

- inaccurate Orders being placed; and/or
- you not meeting your legal obligations, including your tax obligations.

#### 15.4 Indemnity

Each User and Approved User indemnifies Dasset and holds Dasset harmless for any loss, cost, liability or expense sustained or incurred by it as a result of the relevant User or Approved User breaching these Terms and Conditions, including by:

- accessing the Services from outside New Zealand or permitting access to any person which is not an Approved User;
- engaging in any Prohibited Use;
- any other breach by you of the Terms and Conditions or of the Privacy Policy; and/or
- any reliance by you on any information obtained through the Site.

### 16. Complaints and Disputes

Dasset is committed to providing its Approved Users with a very high level of customer service, and your satisfaction is very important to us.

If you would like to make a complaint, we encourage you to contact us in the first instance by email to [complaints@dasset.co.nz](mailto:complaints@dasset.co.nz).

We will acknowledge your complaint within 5 business days and make sure your complaint is investigated properly.

If you are unsatisfied with the outcome of our internal process, you can contact the Insurance & Financial Services Ombudsman Scheme Inc, which is an independent approved dispute resolution scheme that can help sort out unresolved complaints. This service is free of charge.

The contact details for the Insurance & Financial Services Ombudsman Scheme Inc. are:

Website: <https://web.archive.org/web/20210831235028/http://www.ifso.nz>  
Email: [info@ifso.nz](mailto:info@ifso.nz)  
Freephone: 0800 888 202  
Physical address: Level 8  
81 Molesworth Street  
Wellington 6011  
New Zealand

## 17. Amendments to these Terms and Conditions

We may amend these Terms and Conditions (including the Fee Schedule which is incorporated by reference) at any time in the following circumstances:

- to meet our legal obligations;
- to accommodate the reasonable requirements of our service providers or business partners;
- to reflect changes to our Services, the Digital Currencies, the networks underlying the Digital Currencies, or the risks presented by them; and
- in the case of the Fee Schedule, our costs of business.

If we amend these Terms and Conditions, we will publish the updated Privacy Policy on our Site. Any subsequent access to or use by you of the Site will constitute an acceptance of the amended Privacy Policy.

Where it is possible to do so, we will notify you of any changes to this Privacy Policy by sending an email to the email address linked to your User Account.

## 18. Additional Terms

### 18.1 New Zealand law applies

These Terms and Conditions are governed by, and are to be construed in accordance with, New Zealand law. All Users and Approved Users irrevocably submit to the non-exclusive jurisdiction of the courts of New Zealand. This clause operates subject to clause 18.2 (Arbitration).

### 18.2 Arbitration

Dasset and you unconditionally and irrevocably agree that any dispute or disagreement arising out of or in connection with these Terms and Conditions and the provision of the Services will be settled by arbitration by a sole arbitrator in accordance with the New Zealand Arbitration Act 1996 and its amendments and the AMINZ Arbitration Rules current at the time arbitration is commenced. The place of arbitration will be Auckland and the law applicable to the arbitral proceedings and the matters in dispute will be New Zealand law.



### 18.3 Terms survive use

These Terms and Conditions and the Privacy Policy will continue to apply to you after you cease using the Site and the Services, to the extent we reasonably think necessary or desirable.

### 18.4 No agency

Dasset is not your agent, associate, or representative for any purpose.

### 18.5 Electronic communications and notices

You consent to receive electronically all communications, agreements, documents, and disclosures (together, **Communications**) that we may or must provide in connection with your User Account, your Wallets, the Services or the Site. We will provide all Communications to you at the primary email address linked to your User Account.

If we send an email to you at the primary email address linked to your User Account, you acknowledge that this constitutes 'written notice' from us to you. If you email us at support@dassetx.com, this constitutes 'written notice' from you to us. For all notices made by email, the date of receipt is considered to be the date of transmission. You consent to these electronic communications for all purposes. If any email to you is returned as undeliverable, we may block access to your User Account and Dasset Wallets until you provide and confirm a new email address. Please notify us immediately of any change to your email address.

You may withdraw your consent to receive Communications electronically by emailing us at support@dassetx.com. However, please note that if you withdraw your consent, Dasset reserves the right to immediately close your User Account. In that case we will refund any Legal Tender credited to your Legal Tender Account to the bank account linked to your User Account, and we will await your written instructions as to how to return your Digital Currency held in your Dasset Currency Account to you.

### 18.6 Our contact details

If you would like to contact us for any reason, please do so by email to support@dassetx.com.

Our registered office is at: 15 Sale Street  
Auckland Central  
Auckland, 1010  
New Zealand

### 18.7 Intellectual property

All logos, content, materials, software, graphics, text and trademarks on the Site are owned by and property of Dasset. You are not authorised to copy, licence, sell, distribute or create derivative works from any of that intellectual property.

### 18.8 No waiver

If Dasset does not enforce, or delays in enforcing, any compliance by you or another person with these Terms and Conditions, it does not mean that we have waived our rights and will not excuse any additional non-compliance with these Terms and Conditions.

### 18.9 Valid clauses saved

If any term of these Terms and Conditions is invalid or unenforceable under applicable law, the remaining terms will continue in full force and effect.

### 18.10 Entire agreement

These Terms and Conditions (including the [Fee Schedule](#)), and the [Privacy Policy](#) (in each case, as updated from time to time) are the entire agreement between you and us in relation to the provision of the Services.

## 19. Glossary

<b>Approved User</b>	This term is defined in clause 2.1. This term excludes any person whose User Account has been terminated, cancelled, suspended or closed.
<b>Buy Order</b>	This term is defined in clause 7.2.
<b>Buy Transaction</b>	This term is defined in clause 7.1.
<b>Communications</b>	This term is defined in clause 16.
<b>Cookies</b>	This term is defined in clause 6.1 of the Privacy Policy.
<b>Counterparty</b>	This term is defined in clause 4.5.
<b>Dasset or us or we</b>	"Digital Asset Exchange Limited, a New Zealand incorporated limited liability company, trading as 'Dasset' with its registered office located at 101 Pakenham Street, Auckland Central, Auckland,

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New Zealand.

Dasset is registered on the New Zealand Financial Service Providers Register (registration number FSP557466) to provide the following regulated financial services:

- broking service (including a custodial service)
- operating a money or value transfer service
- issuing and managing means of payment

Dasset is also a member of the Insurance & Financial Services Ombudsman Scheme Inc. <http://www.ifso.nz>.

Dasset is not authorised or licensed by any New Zealand government entity or regulator. For the avoidance of doubt, Dasset is not required to be authorised or licensed to provide the Services in accordance with these Terms and Conditions."

**Dasset Custodial Bank Account** The Dasset Custodial Bank Account is described in clause 3.5. It is the bank account in which Legal Tender contributed by Approved Users is held on trust for the benefit of those Approved Users. Each Approved User's entitlement is to the proportion of that balance which represents the face value of the Legal Tender that he or she has transferred to that account, less relevant deductions (e.g. for fees).

**Dasset Exchange** The Dasset Exchange is the technology platform operated by Dasset which underlies the exchange Services. It is accessible at [www.dassetx.com](http://www.dassetx.com).

**Dasset Ledger** This term is defined in clause 5.

**Dasset Wallets** This means an Approved User's Legal Tender Account and Digital Currency Wallet.

**Digital Currency** "The term Digital Currency means any blockchain-based currency, or the digital representation of rights or assets, including:

- bitcoins
- litecoins
- ethers
- other cryptocurrencies (which are otherwise known as virtual currencies).

These assets are based on the cryptographic protocol of a computer network that may be centralised or decentralised, closed or open-sourced, and as a medium of exchange and/or store of value. "

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<b>Fee Schedule</b>	Our Fee Schedule forms part of the Terms and Conditions. Click <a href="#">here</a> to access the latest version.
<b>Filled Order</b>	This is a Buy Order or a Sell Order which has been filled.
<b>Legal Tender</b>	The term Legal Tender means any national fiat currency which has the status of legal tender, such as New Zealand dollars, that may be used by an Approved User to buy or sell Digital Currencies using the Services. For clarity, it does not include any Digital Currency.
<b>Legal Tender Account</b>	This term is defined in clause 3. Your Legal Tender Account is not a bank account. Instead, it is a digital account which represents the share of your beneficial interest in the credit funds standing to the credit of the Dasset Custodial Bank Account.
<b>Limit Order</b>	When you place a Limit Order on the Dasset Exchange dashboard, you decide what Market Price you are willing to pay (for a Buy Order) or receive (for a Sell Order). Your order will be added to the Order Book and will be displayed for someone to accept it. Limited Orders will remain valid until they are filled or cancelled.
<b>Market Price</b>	The Market Price of a Digital Currency, at any time, is the price displayed as the 'Market Price' on the Dasset Exchange dashboard at that time.
<b>Open Order</b>	This is a Buy Order or a Sell Order which has not yet been filled.
<b>Order</b>	This means an order for Digital Currency and includes a Buy Order or a Sell Order.
<b>Order Book</b>	The Order Book is a list of all open Buy Orders and open Sell Orders. This is displayed on the Dasset Exchange dashboard.
<b>Privacy Act</b>	The New Zealand Privacy Act 1993, as it may be amended, or varied from time to time. References to the Privacy Act include regulations to any codes or regulations under it or relating to it from time to time.
<b>Privacy Policy</b>	Our Privacy Policy, as updated from time to time, legally bind each User and Approved User. The current Privacy Policy is set out in full here.

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<b>Private Key</b>	<p>"A private key is a numerical code (an integer between one and about 1077). Private keys are used to verify transactions on the networks underlying Digital Currencies. It can exist in a shorter 'wallet import format' (WIF).</p> <p>It is important to keep your private key details safe and secure. Extreme caution must be taken whenever selecting, storing or transmitting private keys. If another person learns your private key, they can steal your funds. Also, if you forget or lose your private key or password details, Dasset cannot provide a back-up and this can result in the loss of your Digital Currencies. We strongly recommend you use secure cold storage. Also note that careless selection of a private key can lead to theft just as easily as its accidental release, so choose your private key wisely."</p>
<b>Prohibited Use</b>	This term is defined in clause 11.
<b>Sell Order</b>	This term is defined in clause 8.2.
<b>Sell Transaction</b>	This term is defined in clause 8.
<b>Services</b>	<p>The term Services means any service offered by Dasset, whether or not through our Site. The Services include the provision of a User Account, a Legal Tender Account, a Digital Currency Wallet, and buying services, selling services, trading services, and other services that we provide from time to time.</p>
<b>Site</b>	<p>The term Site means our websites, <a href="http://www.dassetx.com">www.dassetx.com</a>, and all linked websites, application programming interfaces (APIs) and mobile applications or similar platforms or portals operated by Dasset from time to time.</p>
<b>Stop Order</b>	<p>When you place a Stop Order on the Dasset Exchange dashboard, you set an entry / exit price point. Once the Market Price for the relevant Digital Currency meets or exceeds the entry / exit point you have selected, your Stop Order becomes an Open Order.</p>
<b>Suspension Event</b>	This term is defined in clause 10.
<b>Terms and Conditions</b>	<p>Our Terms and Conditions, as updated from time to time, legally bind each User and Approved User. The current Terms and Conditions are set</p>

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out in full [here](#) and are deemed to incorporate the Fee Schedule which is available [here](#).

<b>Transactions</b>	The term Transaction means any transaction undertaken using the Services or otherwise through the Site. It includes a Buy Transaction, a Sell Transaction, and an Exchange Transaction.
<b>Users</b>	A User is any person who visits our Site or who uses any of our Services.
<b>You</b>	The term you means each Approved User and, where the context permits or requires, each User.

Dasset is registered as a Finance Service Provider (FSP557466) and is supervised by the New Zealand Department of Internal Affairs (DIA). The services are provided by Digital Asset Exchange Limited (NZBN 9429046068682).

15 Sale Street, Auckland Central, Auckland 1010, New Zealand

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## Services

Getting Started  
Buy Bitcoin  
Exchange  
Trade Desk (OTC)  
Institutions

## Company

About Us  
Affiliate Programme  
Blog  
Fees  
Security  
News

## Legal

Terms of Service  
Privacy Policy  
AML Policy  
Important Information

## Support

FAQ  
Help Desk  
Contact Us  
API Documentation

### Platform Agreement

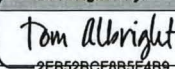
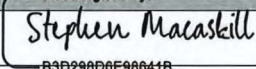
This Platform Agreement (“**Agreement**”) is entered as of 6/2/2020 (“**Effective Date**”) by and between Bittrex DLT Technologies GmbH (Reg-No: FL-0002.613.688-8) (“**Bittrex DLT**”) and Digital Asset Exchange Limited (“**Company**”), as further described in the tables below. Each of Bittrex DLT and Company may be referred to herein individually as a “**party**” or collectively as the “**parties**”.

Name: Digital Asset Exchange Limited	Mailing Address: 162 Victoria street West, Auckland 1010, New Zealand
Place of formation: New Zealand	Notice Address (if different from mailing address):
Name: Bittrex DLT Technologies GmbH	Mailing Address: Äulestrasse 74, 9490 Vaduz, Liechtenstein
Place of formation: Vaduz, Liechtenstein	Notice Address (if different from mailing address):

**Background.** Bittrex DLT operates a trading platform for cryptographic tokens and other digital rights or assets (“**cryptocurrency**”, “**tokens**”), which such tokens neither represent financial instruments nor e-money, for certain institutional and corporate customers and provides related services as described on Exhibit A hereto (“**Platform Services**”). Company wishes to use certain Platform Services in combination with other products or services of Company to offer an integrated product or service described on Exhibit A (the “**Bundled Offering**”) to its customers (“**Downstream Customers**”). Bittrex DLT and Company are entering into this Agreement to set forth the terms and conditions under which Company may access and use Platform Services in connection with the Bundled Offering.

This Agreement consists of the following parts: (a) this cover and signature page; (b) the Terms and Conditions attached hereto; and (c) any exhibits, addenda or appendices to this Agreement.

#### Agreed and Accepted:

<b>Bittrex DLT</b> DocuSigned by:	<b>Company</b> DocuSigned by:
Signature:  2EB52BCF8B5E4B9...	Signature:  B3D290D0E90641B...
Name: Tom Albright	Name: Stephen Macaskill
Title: Director	Title: CEO

MRME

"MRM E"

This is the document marked "MRM E" referred to in the affidavit of MALCOLM RUSSELL MOORE sworn at Auckland this 8 day of July 2024 before me:

Sean William Gourley  
Auckland  
Solicitor

  
A Solicitor of the High Court of New Zealand

Date: 2 June 2020	Date: 2 June 2020
-------------------	-------------------

**TERMS AND CONDITIONS**

**1. Platform Services.** During the Term, Bittrex DLT shall use commercially reasonable efforts to make the Platform Services available to Company. Company is not authorized to, and shall not, promote, offer, use or otherwise exploit any other products or services of Bittrex DLT.

**2. Users.** In order to access and use any Platform Services, the Company will need to create and maintain a user account with the applicable Bittrex DLT services platform which may require submitting an application and entering into one or more user agreements ("**Terms of Service Agreement**") with Bittrex DLT. Bittrex DLT may make other products and services in addition to the Platform Services available to any User. Any Platform Services may be terminated, suspended or otherwise denied by Bittrex DLT to any User, including Company in accordance with the terms of the applicable Terms of Service Agreement without any Bittrex DLT liability or other obligation to Company or any other person or entity. Unless otherwise expressly set forth in Exhibit A in a manner that makes it clear that terms of this Agreement are intended to supersede the Terms of Service Agreement, nothing in this Agreement is intended to modify or supersede any conflicting or inconsistent terms in the Terms of Service Agreement (if any).

**3. Territory; Exclusivity; Permitted Customers.**

**3.1 Territory.** The jurisdictions in which Company is authorized to offer the Bundled Offering ("**Territory**") are set forth in Exhibit A. Any other terms applicable to the Bundled Offering or use of the Platform Services in connection with the Bundled Offering will be set forth in Exhibit A. It is within the sole responsibility of Company to provide the Bundled Offering to Downstream Customers in the Territory. Company is responsible for complying with all applicable laws and reporting duties in particular with regard to regulatory and tax provisions in Territory. Bittrex DLT shall have no obligation, responsibility or liability in connection with any of the foregoing.

**3.2 Exclusivity.**

(a) During the Term, Company and its Affiliates will exclusively use the Platform Services for the Bundled Offering ("**Platform Transactions**").

(b) During the Term and for a period of one year after the Term ends, Company and its Affiliates shall not use any token exchange platform except for the platform provided by Bittrex DLT unless this Agreement has been terminated by Bittrex DLT pursuant to Section 10.2.

(c) Company's exclusivity obligations pursuant to Section 3.2(a) and (b) shall cease if this Agreement is terminated by Company pursuant to Section 10.3(b) as a result of Bittrex DLT's material breach of this Agreement.

**3.3 Permitted Customers.** Company shall not offer or provide the Bundled Offering relating to any Platform Transaction solely by Bittrex DLT but not by Bittrex DLT pursuant to the Platform Services to any Person located in or who is a citizen or resident of the United States.



Without limiting the foregoing, the Company shall not engage in any direct marketing activities of any kind towards any Person in the United States or carry out any such marketing activities in the United States.

#### 4. Compensation.

**4.1 Fees; Pricing.** Except as expressly set forth in Exhibit A any fees payable under this Agreement are in addition to, and not in lieu of, any fees or other amounts payable under any Terms of Service Agreement or any other agreement between the parties. Provided that Company is in compliance with this Agreement, Bittrex DLT shall provide a rebate on fees to Company based on daily Platform Transaction volume through the Platform Services that is attributable to Company's Downstream Customers in accordance with Exhibit A.

**4.2 Payment Terms.** All amounts payable under this Agreement will be paid as set forth in Exhibit A and this Agreement, and are payable, as designated by Bittrex DLT, in token or United States Dollars. Company authorizes Bittrex DLT to charge or deduct amounts owed hereunder from any account that Company may have with Bittrex DLT. Company will have no right to deduct or setoff amounts from payments due to Bittrex DLT under this Agreement. Any amounts not paid when due will accrue interest at the rate of one and one-half percent (1.5%) per month or the highest rate permitted by applicable usury law, whichever is less, determined and compounded daily from the date due until the date paid. Further, in the event of any action by Bittrex DLT to collect any amount not paid when due, Company will pay or reimburse Bittrex DLT's cost of collection (including, without limitation, any reasonable attorneys' fees and costs). Bittrex DLT may accept any check or payment in any amount without prejudice to Bittrex DLT's right to recover the balance of the amount due or to pursue any other right or remedy.

**4.3 Audit.** While this Agreement is in effect and for three (3) years thereafter, Company will maintain adequate books and records relating to its use of the Platform Services and the provision of Bundled Offerings. Upon Bittrex DLT's request, Company will provide access to such books and records during Company's normal business hours for examination, reproduction and audit by Bittrex DLT or its representatives. The Company agrees to have an audit of its Anti-Money Laundering/Know Your Customer policies & procedures performed at least annually by an independent, reputable, third-party at its expense, the results of which it shall share with Bittrex DLT.

**4.4 Taxes.** Fees specified in this Agreement do not include any governmental taxes, assessments, fees, or duties that may be applicable in connection with the transactions contemplated by this Agreement ("Taxes"). Company will be responsible for paying all Taxes, except for taxes based on Bittrex DLT's net income. If Bittrex DLT has a legal obligation to pay or collect Taxes for which Company is responsible under this Agreement, then Company will pay or reimburse Bittrex DLT for such amount, unless Company provides Bittrex DLT a valid tax exemption certificate (authorized by the applicable governmental authority) at least five (5) business days prior to incurring the applicable fees. Without limiting the foregoing, Company will be responsible for identifying and paying any Taxes applicable to use of the Platform Services in connection with any Bundled Offering. Bittrex DLT is not responsible for determining whether taxes apply to Company's trades or for collecting, reporting, withholding or remitting any taxes arising from any trades.

## 5. Developer Materials.

**5.1 Access.** Bittrex DLT may provide or make available to Company certain application programming interface specifications, protocols, routines, structures or other information, code or tools (“**Developer Materials**”) to develop integrations between the Platform Services and the Bundled Offering.

**5.2 License.** Bittrex DLT hereby grants Company during the Term (as defined below) a nonexclusive, limited license to use the Developer Materials solely as necessary to make the Bundled Offering operate with the Platform Service and to make the Platform Service available to Downstream Customers, in connection with the Bundled Offering. The license set forth in this Section 5.2 may not be transferred, assigned or sublicensed without prior, written consent of Bittrex DLT.

**5.3 License Limitations.** Bittrex DLT reserves all rights in and to the Developer Materials. There are no implied licenses of or relating to any Developer Materials or any intellectual property rights in or to any Developer Materials. Company may not use the Developer Materials for any purpose or in any manner other than as expressly licensed in Section 5.2 of this Agreement. Without limiting the foregoing, Company will not (and will not encourage, authorize or permit any third party to): (a) copy any Developer Materials other than to the minimum extent necessary to use the Developer Materials for purposes authorized under this Agreement; (b) distribute, transfer, sell, license, sublicense, share, lease, rent or otherwise dispose of or provide any Developer Materials to any third party; or (c) use the Developer Materials for any Prohibited Activity (as defined below).

## 6. Compliance and Use.

**6.1 Use; Prohibited Activities.** Company may use the Platform Services solely in connection with providing the Bundled Offering to Downstream Customers in the Territory in bona fide, arms-length transactions for Downstream Customer’s own benefit and not for the benefit of any other person or entity. Without limiting the foregoing, Company will not (and will not encourage, authorize or permit any third party to use any Platform Services or Developer Materials: (a) for or with any product or service other than the Bundled Offering provided in the Territory; (b) for or with any product or service provided to any Prohibited Person (as defined below); (c) in any manner that does not comply with any law, regulation, rule or other requirements of any governmental authority having jurisdiction in the Territory or over Company, Bittrex DLT, or Downstream Customer in connection with use, marketing, promotion or offering any Bundled Offering or Platform Services (“**Applicable Law**”); (d) in any manner that does not comply with any requirement of any bank, insurer, payment processor or other financial institution in connection with the continued provision of Platform Services by Bittrex DLT (“**Vendor Requirements**”) that has been communicated by Bittrex DLT to Company, or of which Company is otherwise aware; (e) for the benefit of or on behalf of any third party other than a Downstream Customer or the internal business purposes of Company; (f) except to the extent permitted under Applicable Law notwithstanding this prohibition, to reverse engineer, disassemble, decompile or attempt to discover the source code for any Developer Materials or any Platform Services; (g) to store, cache, aggregate, or use any data or content accessed or transferred using any Developer Materials other than for purposes permitted by, and in accordance with, this Agreement; (h) in

connection with any product or service that competes with any Platform Services; (i) in connection with any software program or application that constitutes, promotes, or is used in connection with spyware, adware, or any other malicious programs or code; (j) to encourage, promote, or participate in illegal activity, violate third-party rights, including intellectual property, confidentiality or privacy rights; (k) in a manner that exceeds stated transaction volume limits (or, if none are stated, reasonable transaction volume limits), constitutes excessive or abusive usage, or otherwise negatively impacts the stability of Bittrex DLT's servers or negatively impacts the behavior of the Platform Services or any other applications using any Developer Materials; or (l) for any other purpose or activity not expressly permitted by this Agreement (any of the foregoing, a "**Prohibited Activity**").

**6.2 Compliance.** Company will comply, and, will be responsible for all Downstream Customers compliance, with all Applicable Law and Vendor Requirements related to: (a) the Bundled Offering and any use of any Platform Services in connection therewith, (b) agreements and other dealings with Downstream Customers, or (c) any activities of Company, any Downstream Customer related to this Agreement. Bittrex DLT shall have no obligation, responsibility or liability in connection with any of the foregoing. Company shall report to Bittrex DLT any suspicious activity by their Downstream Customers, including but not limited to suspected fraud, market manipulation, or such activity.

**6.3 Prohibited Persons.** Company will ensure that no Downstream Customer is a Prohibited Person. "**Prohibited Person**" means any person or entity that: (a) is on the Specially Designated Nationals and Blocked Persons list maintained by the U.S. Office of Foreign Assets Control, the U.S. Department of Commerce Denied Persons list, or any similar list of persons or entities with which any transactions or business activities are prohibited or limited issued by any Liechtenstein governmental authority, any U.S. governmental authority, or any other governmental authority having jurisdiction over either of Company or Bittrex DLT; or (b) is located in, or a citizen or resident of any state, country, territory or other jurisdiction: (i) that is embargoed by the United States, (ii) where use of any Bundled Offering or Platform Services would be illegal or otherwise violate any Applicable Law, or (iii) where Bittrex DLT does not permit use of Platform Services either as communicated to Company or as implemented in any access controls by Bittrex DLT.

**6.4 Identity Verification and Screening.** Company will implement and apply identity and other screening and verification procedures that comply with the most stringent of: (a) requirements of Applicable Law, (b) Vendor Requirements, or (c) then-current best industry practices to identify and prohibit access or use of the Bundled Offering or any Platform Services by any Prohibited Person or for any Prohibited Activities and otherwise to comply with any anti-money laundering, know your customer, anti-terrorism financing, fraud protection and other requirements of Applicable Law, as well as any Vendor Requirements. Company will store and make available to Bittrex DLT or any governmental authority any information provided by any Downstream Customer as required by Applicable Law.

**6.5 Screening by Bittrex DLT.** Without limiting Section 6.2, Bittrex DLT may, at its sole option and discretion, require use of certain identity verification or other screening procedures for any Downstream Customer. If requested by Bittrex DLT, Company will provide to Bittrex DLT or its designee certain personal information, including, but not limited to: name, address,

telephone number, email address, date of birth, taxpayer identification number, government identification number and bank account information of any Downstream Customer (or any individual that accesses or uses, or is or is applying to be authorized to access or use, any Platform Services on behalf of any Downstream Customer). Company hereby authorizes Bittrex DLT, directly or through a third party, to make any inquiries Bittrex DLT considers necessary to verify any identity and/or protect against fraud, including to query identity information contained in public reports and to take action Bittrex DLT reasonably deems necessary based on the results of such inquiries and reports. Company shall undertake all reasonable actions required to authorize Bittrex to such inquiries. Company further authorizes any and all third parties to which such inquiries or requests may be directed to fully respond to such inquiries or requests. Company will ensure that all Downstream Customers (and any individual that accesses or uses, or is or is applying to be authorized to access or use, any Platform Services on behalf of any Downstream Customer) provide any authorizations or consents necessary to permit Bittrex DLT to carry out the identity verification and other activities authorized by Company under this Agreement.

**6.6 Data Sharing.** Company will provide notices to and obtain consents or authorizations from Downstream Customers (and any individual that accesses or uses, or is or is applying to be authorized to access or use, any Platform Services on behalf of any Downstream Customer) as required under Applicable Law, applicable agreement or applicable privacy policy to enable Company to provide any data or information to Bittrex DLT and to enable Bittrex DLT and its designees to access, use and process for any purpose authorized under this Agreement any data or information that is: (a) required to access and use any Platform Services, (b) required to be made available to Bittrex DLT under this Agreement, or (c) otherwise provided or made available to Bittrex DLT or its designees in connection with this Agreement.

**6.7 Changes to Developer Materials and Platform Services.** The Developer Materials and Platform Services are made available as determined by Bittrex DLT from time to time at its sole discretion. Bittrex DLT may change, suspend or cancel any or all Developer Materials and Platform Services (including, for avoidance of doubt, the digital currencies supported on the Platform Services) at any time for any or no reason. Bittrex DLT may change any Developer Materials by making the changed Developer Materials available on a webpage or server designated by Bittrex DLT or notifying Company through such other method as Bittrex DLT may specify to Company from time to time. In the event Bittrex DLT changes any Developer Materials or Platform Services, Company will update the Bundled Offering and its use of the Developer Materials to comply with the changes by the earlier of (a) within thirty (30) days after posting of the change or other notification by Bittrex DLT, or (b) the date on which the change is effective. Bittrex DLT will not be liable for any losses suffered as a result of any modification or termination of the Platform Services (whether pursuant to this Section 6 or for any other reason), or of any suspension or termination of the Company's right to access the Platform Services.

## **7. Certain Obligations of Company.**

**7.1 Downstream Customers.** Company will ensure that all Downstream Customers comply with the terms of this Agreement with respect to their respective activities related to the Bundled Offering or use of any Platform Services in connection therewith as if each such party were an original signatory hereto. Company will include in its agreements with Downstream

Customers provisions at least as protective of Bittrex DLT as the provisions of this Agreement and that secure for Bittrex DLT any rights to be conveyed by Company pursuant to this Agreement.

**7.2 Support and Training.** Company will ensure that each Downstream Customer has the knowledge, experience and training necessary to use the Bundled Offering and Platform Services. Company will provide Downstream Customers with reasonable means to contact Company in order to ask questions, resolve technical issues and other issues related to use of the Bundled Offering and any Platform Services, and obtain any other customer support or services (collectively “**Customer Support**”). Company will be solely responsible for providing any and all Customer Support and otherwise interfacing with any Downstream Customers, including, without limitation, any discussions and issues related to pricing, order fulfillment, cancellations, returns, refunds and adjustments, rebates, functionality and warranty, technical support, and feedback concerning experiences with Company’s personnel, policies or processes. Company will always present Company as a separate and distinct entity and business from Bittrex DLT.

**7.3 Insurance.** Throughout the Term and for two (2) years thereafter, Company will seek to obtain and maintain at its own expense, with one or more insurance companies rated A minus or better (as determined by A. M. Best & Company) and licensed or approved to do business in all jurisdictions in which Company does business related to the Bundled Offering.

**7.4 Problem Tracking and Reporting.** Company will promptly investigate and report to Bittrex DLT (in the manner designated by Bittrex DLT) all suspected and actual problems with the Platform.

**7.5 Public Relations.** Company will conduct its business and activities in such a manner so as to promote a good image and public relations for Bittrex DLT. Without limiting the generality of the foregoing, Company will not (a) engage in any unfair or deceptive trade practice involving any Platform Services, or (b) make any false, misleading or disparaging representations or statements with regard to any of the Platform Services or Bittrex DLT.

**7.6 No Unauthorized Warranties.** Company will not make or extend on behalf of Bittrex DLT any warranty with respect to any Platform Services.

**7.7 Customer Data; Privacy.** In connection with use of the Platform Services, Company may receive information about Downstream Customers or other third parties. Company will keep such information confidential and only use it in connection with the Platform Services and Company’s rights and obligations under this Agreement. Company will not disclose or distribute any such information publicly or to other third parties or use the information for marketing purposes unless Company receives the prior express consent of the applicable Downstream Customer or third party in a manner that complies with Applicable Law.

**7.8 Representations and Warranties of Company.** Company represents and warrants to Bittrex DLT that on the Effective Date and at all times during the Term that:

(a) Company is duly formed in the jurisdiction set forth on the cover page and has the right, power and authority to enter into this Agreement and perform all of its obligations under this Agreement;

(b) Company is qualified to do business and has all necessary licenses to do business in any jurisdiction in which it conducts business;

(c) Company is authorized under Applicable Law, and has all necessary licenses, permits and approvals, to offer the Bundled Offering and Platform Services in any jurisdiction in which Company makes them available;

(d) Company will not use the Platform Services for or in connection with any illegal, unauthorized, fraudulent or improper business or activity or otherwise in violation of any Applicable Law;

(e) Company will not use the Developer Materials or Platform Services in any manner that interferes with the operation of the Platform Services;

(f) any transactions initiated under this Agreement for any Platform Services will be in connection with a bona fide provision of the Bundled Offering to a Downstream Customer;

(g) all information, data and instructions provided by or on behalf of Company pursuant to or in connection with this Agreement or any Platform Services is true, accurate and complete in all respects and Company will update any data or information immediately in the event of any change to any such data or information; and

(h) Company will fulfill all obligations to each Downstream Customer related to any Bundled Offering or any Platform Services used in connection therewith.

## 8. Intellectual Property.

**8.1 Ownership.** As between Bittrex DLT and Company, Bittrex DLT owns all right, title and interest in and to (a) the Platform Services, any modifications to the Platform Services (including modifications based on Feedback), the Developer Materials, Confidential Information (as defined below) of Bittrex DLT and any other information or materials provided by Bittrex DLT (collectively, the “**Proprietary Materials**”); and (b) all intellectual property rights in and to any Proprietary Materials. To the extent that Company has or acquires any right, title or interest in any Proprietary Materials, Company hereby assigns to Bittrex DLT all such right, title and interest in or to any Proprietary Materials and any intellectual property rights therein.

**8.2 Feedback.** Bittrex DLT will own any feedback, suggestions, ideas, or other information or materials regarding Bittrex DLT or the Platform Services provided by Company, any Downstream Customers whether provided by email, posting through the Platform Services or otherwise (“**Feedback**”). Company hereby assigns to Bittrex DLT all right, title and interest to Feedback together with all associated intellectual property rights. Company will not be entitled to, and hereby waives any claim for, acknowledgment or compensation based on any Feedback or any modifications made based on any Feedback.

**8.3 No Challenge or Assertion of Rights.** At no time during or after the Term will Company challenge or assist others to challenge any of Bittrex DLT’s intellectual property rights in the Proprietary Materials and Feedback. Company will not assert any intellectual property rights

in or relating to the Proprietary Materials, Feedback, or any parts thereof, against Bittrex DLT, its affiliates, or their respective licensors, licensees, suppliers, manufacturers, distributors, contractors, customers, end users, successors, assigns, or any of their respective affiliates.

**8.4 Use of Bittrex Trademarks.** Bittrex DLT grants to Company a limited, personal, revocable, non-exclusive, non-transferable, non-sublicensable license to use the name or logo of Bittrex DLT or any Platform Service product or service in the form and manner used by Bittrex DLT in any such Platform Service product or service (the “**Bittrex Trademarks**”) during the Term solely as used by Bittrex DLT in any Platform product or service and solely to promote and market the Bundled Offering to potential Downstream Customers in the Territory and solely as approved in advance and in writing by Bittrex DLT. Company will comply with any written trademark policies or guidelines concerning use of the Bittrex Trademarks that Bittrex DLT may furnish to Company from time to time. Company will promptly modify or discontinue any use of the Bittrex Trademarks if requested by Bittrex DLT. All goodwill associated with the use of any Bittrex Trademarks by Company will inure solely to the benefit of Bittrex. Except as expressly set forth above, Company is not granted any right or license to use any Bittrex Trademarks. Company shall not register or seek to register any marks similar to any Bittrex Trademarks in any jurisdiction in the world. In addition, Company may shall copy, imitate or use (or authorize, assist or encourage any third party to copy, imitate or use) the look and feel of the Platform Services, including all page headers, custom graphics, button icons and scripts, is the service mark, trademark, and/or trade dress of Bittrex DLT. The license rights granted in this Section 8.4 terminate immediately in the event of termination of this Agreement for any reason.

## **9. Confidentiality.**

**9.1 Definition.** “**Confidential Information**” means any non-public information of the discloser, whether of a technical, business or other nature (including, but not limited to, trade secrets, know-how and information relating to the technology, customers, business plans, promotional and marketing activities, finances and other business affairs of the discloser) that is disclosed to or obtained by the recipient and that the recipient knows or has reason to know is confidential, proprietary or trade secret information of discloser. Confidential Information also includes any information that has been made available to discloser by third parties that discloser is obligated to keep confidential. Confidential Information does not include any information that (a) was known to the recipient before receiving the same from the discloser in connection with this Agreement; (b) is independently developed by the recipient without reliance on any Confidential Information of the discloser; (c) is acquired by the recipient from another source without restriction as to use or disclosure; or (d) is or becomes generally known to the public through no fault or action of the recipient.

**9.2 Obligations.** Each party will (a) use the other's Confidential Information solely for the purposes of performing this Agreement, (b) disclose the other party's Confidential Information only to those employees and contractors that need to know the same for purposes of performing this Agreement, and (c) inform its employees and contractors with access to the other party's Confidential Information that such Confidential Information is confidential and proprietary to the other party and is subject to this Agreement. Each party will preserve and protect the other party's Confidential Information and will not divert or misappropriate any Confidential Information of the other party for its own or any third party's benefit. Without limiting the generality of the foregoing,

each party will keep the other party's Confidential Information confidential and under access and use restrictions at least as stringent as those applied by such party in good faith to protect its own information of similar type.

**9.3 Compelled Disclosure.** Nothing in this Section 9 will be interpreted or construed to prohibit any disclosure of any Confidential Information required by law; provided, that the recipient of the Confidential Information uses reasonable efforts to provide advance written notice thereof to the other party (e.g., so as to afford the other party an opportunity to intervene and seek an order or other appropriate relief for the protection of its Confidential Information).

## **10. Term and Termination.**

**10.1 Term.** This Agreement is effective as of the Effective Date and will continue in force for an initial term of two (2) years unless terminated earlier in accordance with the provisions of this Section 10 (the "Initial Term"). Upon the expiration of the Initial Term or a Renewal Term, this Agreement will automatically renew for consecutive, additional one (1)-year terms (each, a "Renewal Term" and, together with the Initial Term, the "Term"), unless this Agreement has been previously terminated under this Section 10.

**10.2 Optional Termination.** After the Initial Term, either party may terminate this Agreement at any time by providing the other party with written notice of termination at least six (6) months prior to the Renewal Term termination date.

### **10.3 Termination for Cause; Material Market Change.**

(a) Either party may terminate this Agreement by providing the other party with written notice of termination at least thirty (30) days prior to the termination date indicated in such notice in the event of a material market change.

(b) Either party may terminate this Agreement immediately upon notice to the other party in the event that the other party fails to cure any material breach of or default under this Agreement (including, without limitation, failure to pay any amounts when due) within 30 days after such other party receives written notice of the breach or default.

**10.4 Termination of Services.** Without limiting anything else herein, Bittrex DLT may suspend or cancel any access or use of any Developer Materials, or the Platform Services immediately, in the event of an actual or reasonably suspected security breach or threat or any threat to system integrity or performance. Bittrex DLT agrees to provide the Company as much prior notice as reasonably possible in such event.. Bittrex DLT will not be liable for any losses suffered as a result of any modification or termination of the Platform Services (whether pursuant to this Section 10 or for any other reason), or of any suspension or termination of the Company's right to access the Platform Services.

**10.5 Effect of Termination.** Upon termination of this Agreement, the following will apply unless otherwise agreed upon by the parties:

(a) all amounts payable by Company under this Agreement will become immediately due;



(b) Company's right to access and use any Developer Materials and Platform Services will terminate, Company will immediately cease all use of any Developer Materials and Platform Services, and any open orders or transactions pending on the Platform Services will, at Bittrex DLT's option, be cancelled;

(c) termination of this Agreement will not necessarily impact any User Agreements and Bittrex DLT may continue to provide Platform Services to any Users at its sole option and discretion;

(d) Company will immediately return to Bittrex DLT or destroy (as requested by Bittrex DLT) any and all Confidential Information of Bittrex DLT and copies of any Proprietary Materials in the possession or control of Company and, upon request of Bittrex DLT, Company will provide Bittrex DLT with a written certification signed by an officer of the Company certifying as to compliance with the requirements of this Section 10.5(d); and

(e) Company's payment obligations under this Agreement, a party's liability and obligations resulting from acts or omissions occurring prior to termination, and Sections 4, 7.3, 7.6, 7.7, 7.8, 8, 9, 10, 11, 12, 13, 14 and 15 will survive termination of this Agreement.

## **11. Bittrex DLT Warranty; Disclaimer.**

**11.1 Services Warranty.** Bittrex DLT warrants to Company that for a period of thirty (30) days after the Effective Date, the Platform Services will substantially conform in all material respects to the specifications for the Platform Services provided by Bittrex DLT to Company. If Company gives Bittrex DLT written notice of noncompliance with the warranty in the preceding sentence within the period described therein, Bittrex DLT will, as Company's sole and exclusive remedy and at Bittrex DLT's option and discretion: (a) use reasonable efforts to correct the nonconforming Platform Services; (b) if Bittrex DLT determines at its discretion that the specifications are erroneous, modify the specifications so that the error is corrected; or (c) terminate, at Bittrex DLT's option and discretion, this Agreement or the affected Platform Services and refund any fees paid by Company in advance for periods during which Platform Services will not be provided. The foregoing sets forth Bittrex DLT's entire liability and Company's sole remedy for any breach of warranty under this Section 11.1.

**11.2 Warranty Limitations.** Bittrex DLT does not warrant that the Platform Services will be failsafe or free of all errors or defects. Bittrex DLT makes no warranty with respect to (a) the Bundled Offering, (b) any product or service provided by any third party using or through any Platform Services, (c) any product or service provided by a third party that is used, or necessary, for accessing or using any Platform Services (for example, and without limitation, Internet service agreements, agreements for use of any hardware or software, agreements for provision of power or other utilities, or other infrastructure agreements), (d) any defect, condition, malfunction, non-conformity or other error resulting from Company's (or any third party's) misuse, misinstallation, mishandling, neglect, accident or abuse of any Platform Services, (e) Company's (or any third party's) incorporation or combination of any Platform Services with any other product, service or system, or (f) any other obligations or responsibilities of Company under this Agreement or any risks assumed by Company.

**11.3 Disclaimer.** EXCEPT AS EXPRESSLY PROVIDED IN SECTION 11.1 OF THIS AGREEMENT, THE PLATFORM SERVICES, DEVELOPER MATERIALS AND ANY OTHER ITEMS PROVIDED UNDER THIS AGREEMENT ARE PROVIDED “AS IS, WHERE IS” AND “AS AVAILABLE” AND BITTREX DLT DISCLAIMS, AND COMPANY WAIVES, ANY AND ALL OTHER WARRANTIES AND REMEDIES OF ANY KIND, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT AND ANY WARRANTIES ARISING FROM COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, SPECIMEN OR PROTOTYPE. NO COMMUNICATIONS, ADVICE OR INFORMATION, WHETHER ORAL OR WRITTEN, FROM BITTREX DLT WILL CREATE ANY WARRANTY NOT EXPRESSLY STATED HEREIN. WITHOUT LIMITING THE FOREGOING, BITTREX DLT DOES NOT WARRANT THAT THE PLATFORM SERVICES, DEVELOPER MATERIALS OR ANY OTHER ITEMS PROVIDED UNDER THIS AGREEMENT WILL OPERATE UNINTERRUPTED OR ERROR FREE, ARE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS. COMPANY ACKNOWLEDGES THAT ANY INFORMATION OR DATA STORED OR TRANSFERRED USING THE DEVELOPER MATERIALS OR PLATFORM SERVICES MAY BE IRRETRIEVABLY LOST OR CORRUPTED, OR TEMPORARILY UNAVAILABLE, DUE TO A VARIETY OF CAUSES, INCLUDING SOFTWARE FAILURES, VIRUSES OR OTHER HARMFUL MATERIALS, PROTOCOL CHANGES BY THIRD-PARTY PROVIDERS, INTERNET OUTAGES, FORCE MAJEURE EVENTS OR OTHER DISASTERS, SCHEDULED OR UNSCHEDULED MAINTENANCE, OR OTHER CAUSES EITHER WITHIN OR OUTSIDE BITTREX DLT’S CONTROL. COMPANY IS SOLELY RESPONSIBLE FOR BACKING UP AND MAINTAINING DUPLICATE COPIES OF ANY SUCH INFORMATION OR DATA.

**12. Indemnification.** Company will defend, indemnify and hold harmless Bittrex DLT and its affiliates (and Bittrex DLT’s and its affiliates respective employees, directors, agents, subcontractors and representatives) from and against any and all claims, actions, audits, investigations, inquiries, or other proceedings, and any associated liabilities, costs, losses, damages, judgments, Tax assessments, penalties, interest, and expenses (including without limitation reasonable attorneys’ fees), arising out of or related to: (a) the Bundled Offering, (b) any actual or alleged breach of this Agreement by Company; (c) any violation of Applicable Law or Vendor Requirement by Company, Downstream Customer; (d) any act or omission of any Downstream Customer that would, if done by Company, breach this Agreement; (e) violation of any right of any third party, including without limitation any right of privacy, publicity right or intellectual property right related to the Bundled Offering or use of the Platform Services in connection therewith or otherwise related to any activities of Company, any Downstream Customer under this Agreement (except to the extent such violation is attributable solely to the Platform Services on a standalone basis, as the Platform Services are made available by Bittrex DLT to all users of the services); or (f) any claim by any Downstream Customer. Bittrex DLT will have the right to participate in any proceeding, and to control the defense and settlement of, any claim that is the subject of any obligations of Company under this Section 12.

**13. Disclaimer of Damages.** IN NO EVENT WILL BITTREX DLT, ITS AFFILIATES OR THEIR RESPECTIVE SHAREHOLDERS, MEMBERS, DIRECTORS, OFFICERS, EMPLOYEES, ATTORNEYS, AGENTS, REPRESENTATIVES, SUPPLIERS OR

CONTRACTORS BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL, PUNITIVE, CONSEQUENTIAL OR SIMILAR DAMAGES OR LIABILITIES WHATSOEVER (INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF DATA, INFORMATION, REVENUE, PROFITS OR OTHER BUSINESS OR FINANCIAL BENEFIT) ARISING OUT OF OR IN CONNECTION WITH ANY PLATFORM SERVICES, DEVELOPER MATERIALS, OR ANY OTHER ITEM PROVIDED UNDER THIS AGREEMENT, WHETHER UNDER CONTRACT, STATUTE, STRICT LIABILITY OR OTHER THEORY (INCLUDING, FOR AVOIDANCE OF DOUBT, ANY NEGLIGENCE OF BITTREX DLT), EVEN IF BITTREX DLT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

**14. Limitation of Liability.** IN NO EVENT WILL THE LIABILITY OF BITTREX DLT, ITS AFFILIATES AND THEIR RESPECTIVE SHAREHOLDERS, MEMBERS, DIRECTORS, OFFICERS, EMPLOYEES, ATTORNEYS, AGENTS, REPRESENTATIVES, SUPPLIERS OR CONTRACTORS ARISING OUT OF OR IN CONNECTION WITH ANY PLATFORM SERVICES, DEVELOPER MATERIALS, OR ANY OTHER ITEM PROVIDED UNDER THIS AGREEMENT, WHETHER UNDER CONTRACT, STATUTE, STRICT LIABILITY OR OTHER THEORY (INCLUDING, FOR AVOIDANCE OF DOUBT, ANY NEGLIGENCE OF BITTREX DLT) EXCEED THE AMOUNT OF THE FEES PAID BY COMPANY TO BITTREX DLT UNDER THIS AGREEMENT IN THE TWELVE-MONTH PERIOD IMMEDIATELY PRECEDING THE EVENT GIVING RISE TO THE CLAIM FOR LIABILITY.

**15. Miscellaneous.**

**15.1 Governing Law; Venue; Arbitration; Waiver of Class Action.** This Agreement shall, in all respects, be governed by and construed in all respects in accordance with the laws of the Principality of Liechtenstein, without regard to the conflict of law provisions or the provisions of the U.N. Convention on Contracts for the International Sale of Goods that would cause the application of the laws of any other jurisdiction. All disputes, controversies or claims arising out of or relating to this Agreement, will be resolved through confidential binding arbitration held in Liechtenstein in accordance with the Rules of Arbitration of the International Chamber of Commerce by three arbitrators appointed in accordance with the said Rules. The language used for the arbitration proceedings will be English. The party filing the claim will pay the filing fee and the parties will split the remaining fees and costs. Judgment upon any arbitration award may be entered and enforced in any court of competent jurisdiction.

**15.2 Relationship of Parties.** In performing hereunder, Company will be acting as an independent contractor and not as an agent or employee of Bittrex DLT. This Agreement will not be interpreted or construed as creating or evidencing any agency, franchise, joint venture, or partnership between the parties.

**15.4 Identification of Company.** Bittrex DLT may identify Company as a customer, user, or partner of the Platform Services on its web sites and in other documentation to promote and market the Platform Services and may use logos and other Trademarks of Company in connection therewith.

**15.5 Bittrex DLT Affiliates and Contractors.** An “Affiliate” is, with respect to a legal entity, another legal entity that controls, is under common control with, or is controlled by the first legal entity. The Platform Services may be provided by Bittrex DLT, its Affiliates or their respective contractors. To the extent that an Affiliate of Bittrex DLT, or contractor of Bittrex DLT is operating or providing any Platform Services, the Affiliate or contractor’s provision of such Platform Services will be under terms identical to those in this Agreement, substituting the Affiliate or contractor’s name wherever “Bittrex DLT” occurs in this Agreement.

**15.6 Nonwaiver.** Bittrex DLT’s failure or delay in exercising any right, power, or privilege under this Agreement shall not operate as a waiver thereof.

**15.7 Severability.** The invalidity or unenforceability of any term or provision of this Agreement shall not affect the validity or enforceability of any other term or provision, all of which shall remain in full force and effect. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, inoperative or unenforceable for any reason, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner.

**15.8 Force Majeure.** Bittrex DLT will have no responsibility or liability for any failure or delay in performance of any Platform Services or other obligations under this Agreement, or any loss or damage that Company may incur, due to any circumstance or event beyond the control of Bittrex DLT, including without limitation any flood, extraordinary weather conditions, earthquake, or other act of God, fire, war, insurrection, riot, labor dispute, accident, action of government, communications, power failure, or equipment or software malfunction.

**15.9 Assignment.** Company may not assign or transfer any right to use the Platform Services or any of its rights or obligations under this Agreement without prior written consent of Bittrex DLT, including by operation of law or in connection with any change of control. Bittrex DLT may assign or transfer any or all of its rights or obligations under this Agreement, in whole or in part, without notice or obtaining Company’s consent or approval.

**15.10 Headings.** Headings of sections are for convenience only and shall not be used to limit or construe such sections.

**15.11 Entire Agreement; Order of Precedence.** This Agreement contains the entire agreement, and supersede all prior and contemporaneous understandings between the parties regarding the subject matter hereof. In the event of any conflict between this Agreement and any other agreement Company may have with Bittrex DLT, this Agreement will control unless the other agreement specifically identifies this Agreement and declares that the other agreement supersedes this Agreement.

**Exhibit A****A. Description of Bundled Offering.**

- Onboarding of clients/customers,
- Customer support,
- Legal and compliance, including AML/KYC review,
- Marketing and sales,
- Research and development, and
- Banking and payment procession solutions
- Operational Services
- Finance risk
- Technology (UI, Mobile, Tracking, CRM, Dialer, Helpdesk)
- Business development

**B. Description of Platform Services.**

- Wallets for each token available for trading
- Trading platform; matching engine
- Development materials
- Security Infrastructure
- Liquidity access

**C. Territory.**

New Zealand and Australia

**D. Fees and Payment Terms; Rebate.**

<b>If daily Platform Transaction volume from Downstream Customers of Company is:</b>	<b>Rebate amount on amounts owed as commission for Platform Transactions completed on that day is:</b>
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DocuSign Envelope ID: DBC80F78-37DD-4A65-BE91-507EE680A769

Greater than \$0 up through \$500,000,000	10%
Greater than \$500,000,000 through \$1,000,000,000	15%
Greater than \$1,000,000,000	20%

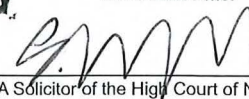
**Deloitte.**  
Private

MRM F

"MRM F"

This is the document marked "MRM F" referred to in the affidavit of MALCOLM RUSSELL MOORE sworn at Auckland this 8 day of July 2024 before me:

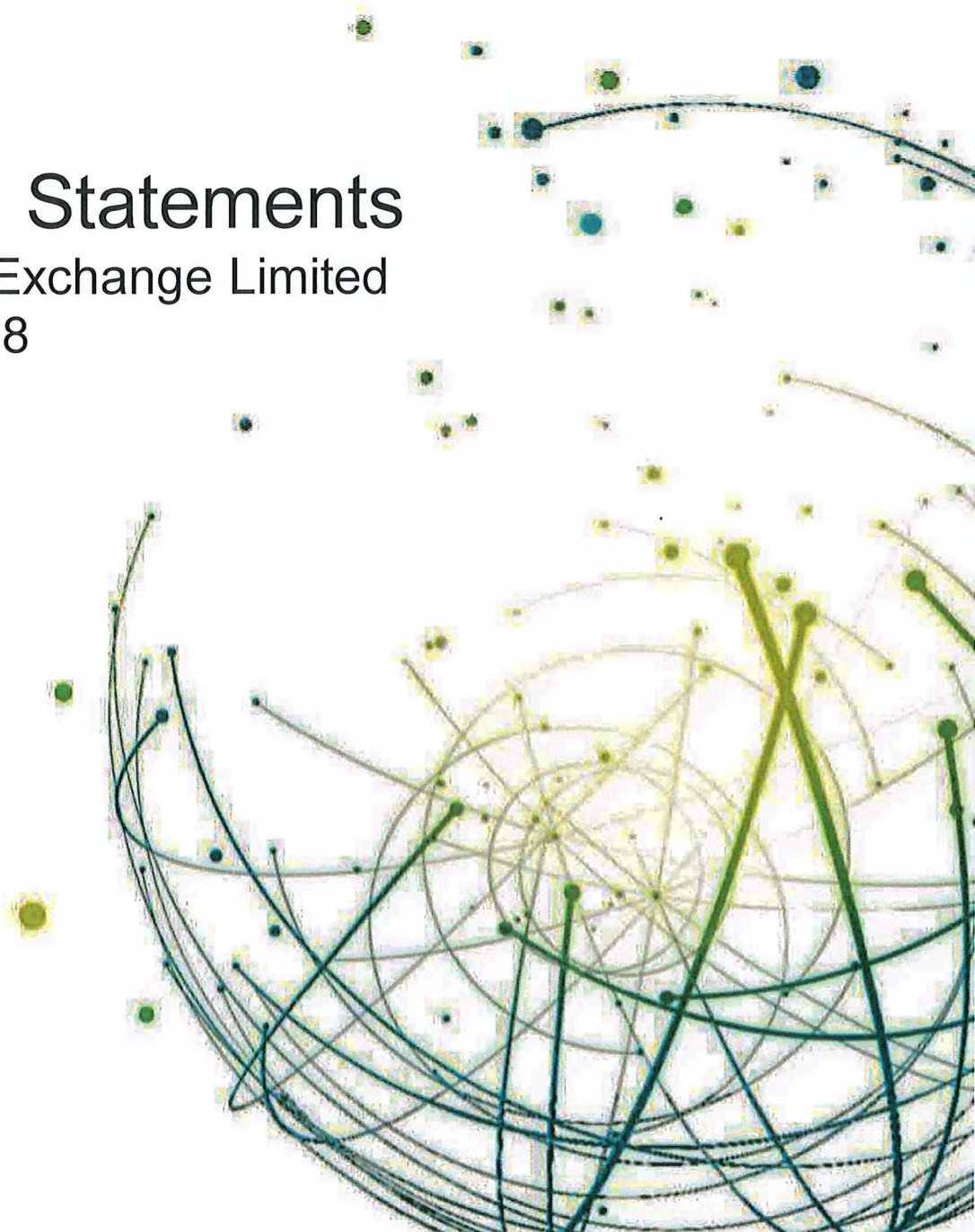
**Sean William Gourley**  
Auckland  
Solicitor



A Solicitor of the High Court of New Zealand

# Financial Statements

Digital Asset Exchange Limited  
31 March 2018



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- 9    Balance Sheet
- 10  Notes to the Financial Statements



# Compilation Report

## Dasset

### For the year ended 31 March 2018

Compilation Report to the Directors of Dasset

#### Scope

On the basis of information you provided, we have compiled financial statements in accordance with Service Engagement Standard 2: Compilation of Financial Information, for Dasset for the year ended 31 March 2018 as set out on the following pages.

Except as described below, these financial statements have been prepared in accordance with the requirements of the Tax Administration Act 1994 including the accounting policies described in the Notes to the Financial Statements.

These financial statements are intended for the purposes of meeting the company's income tax requirements and should not be relied upon for any other purpose. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

#### Responsibilities

You are solely responsible for the information contained in the financial statements and have determined that the financial reporting basis described in the Notes to the Financial Statements are appropriate to meet your needs and for the purpose that the financial statements were prepared.

The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

#### No Audit or Review Engagement Undertaken

Our procedures use accounting expertise to undertake the compilation of the financial statements from information you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.

#### Disclaimer

As detailed above, we have compiled the financial statements based on information provided to us which has not been subject to an audit or review engagement. Accordingly, neither we nor any of our employees accept responsibility for the reliability, accuracy or completeness of the material from which the financial statements have been prepared, nor accordingly, the accuracy of the financial statements. We do not accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on the compiled financial information.

*Deloitte Limited*

Deloitte Limited  
(as Trustee for the Deloitte Trading Trust)

Dated: 23 July 2018

# Directory

## Dasset

For the year ended 31 March 2018

### Nature of Business

Digital cryptocurrency exchange

### Registered Office

L3 / 3 Vernon Street

Auckland Central

Auckland 1010

New Zealand

### Company Number

6261371

### Incorporation Date

24 April 2017

### New Zealand Business Number

9429046068682

### Shareholders

Total Shares Issued	10,000,000
<b>Held by:</b>	
Techemy Limited	3,400,000
Stephen Macaskill	3,246,953
Flo2cash Group Limited	1,230,000
Collins Production Corp	606,864
Xray Trust Limited	576,923
Fran Strajnar	246,953
Gareth Davies	200,000
Perriam Developments Limited	192,307
Paul Caleb Salisbury	150,000
Matthew Griffin	150,000

### IRD Number

122-852-059

Directory

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**Directors**

Karam Kaur Gill

Stephen Macaskill

Fran Strajnar

**Chartered Accountant**

Deloitte Limited  
(as Trustee for the Deloitte Trading Trust)

**Bankers**

ANZ New Zealand Limited

**Solicitors**

Bell Gully

# Financial Statements Approval

**Dasset**

**For the year ended 31 March 2018**

On this date the Directors approve and issue the financial statements of Dasset for year ended 31 March 2018.

APPROVED

For and on behalf of the Board of Directors

\_\_\_\_\_  
Karam Kaur Gill

Date \_\_\_\_\_

\_\_\_\_\_  
Stephen Macaskill

Date \_\_\_\_\_

\_\_\_\_\_  
Fran Strajnar

Date \_\_\_\_\_

# Statement of Profit or Loss

Dasset

For the year ended 31 March 2018

	NOTES	2018
<b>Income</b>		
Sales Income		25,037.20
Interest Received		779.41
Other Income		126,072.39
<b>Total Income</b>		<b>151,889.00</b>
<b>Cost of Sales</b>		
Cost of Goods Sold		10,618.13
<b>Total Cost of Sales</b>		<b>10,618.13</b>
<b>Gross Profit</b>		<b>141,270.87</b>
<b>Expenses</b>		
Advertising		6,486.89
Assets<\$500		2,635.84
Bank Fees		487.97
Depreciation and Amortisation		1,507.60
Entertainment		422.70
Interest and Finance Charges		18.60
Office Expenses		583.31
Professional and Consulting Fees		18,871.99
Rental, Lease and Licence Payments		12,305.49
Research and Development		77,326.92
SaaS		11,429.33
Salaries and Wages Paid to Employees		176,384.62
Subscriptions		546.27
Telephone & Internet		370.51
Training & Development		5.00
Travel - National		138.98
Website Operations		20,706.84
<b>Total Expenses</b>		<b>330,228.86</b>
<b>Net Profit (Loss) before Taxation</b>		<b>(188,957.99)</b>
<b>Taxation and Adjustments</b>		
Income Tax Expense		(22,988.04)
<b>Total Taxation and Adjustments</b>		<b>(22,988.04)</b>
<b>Net Profit (Loss) for the Year</b>		<b>(165,969.95)</b>

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

# Statement of Changes in Equity

Dasset

For the year ended 31 March 2018

	2018	2017
<b>Equity</b>		
Opening Balance	-	-
<b>Increases</b>		
Share capital	598,000.20	-
<b>Total Increases</b>	<b>598,000.20</b>	<b>-</b>
<b>Decreases</b>		
Loss for the period	165,969.95	-
<b>Total Decreases</b>	<b>165,969.95</b>	<b>-</b>
<b>Total Equity</b>	<b>432,030.25</b>	<b>-</b>

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

# Balance Sheet

## Dasset As at 31 March 2018

	NOTES	31 MAR 2018
<b>Assets</b>		
<b>Current Assets</b>		
Cash and bank		359,333.49
Prepayments		148,653.84
Income tax receivable		23,245.25
GST receivable		6,285.10
<b>Total Current Assets</b>		<b>537,517.68</b>
<b>Non-Current Assets</b>		
Property, plant and equipment	4	7,921.79
Alpha point		623,961.77
Bitfinex exchange		354,470.99
<b>Total Non-Current Assets</b>		<b>986,354.55</b>
<b>Total Assets</b>		<b>1,523,872.23</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Stephen's Credit Card		814.69
Trade and other payables		15,429.17
Wage accruals		8,500.45
<b>Total Current Liabilities</b>		<b>24,744.31</b>
<b>Non-Current Liabilities</b>		
Loans		500,484.53
Customer funds		566,613.14
<b>Total Non-Current Liabilities</b>		<b>1,067,097.67</b>
<b>Total Liabilities</b>		<b>1,091,841.98</b>
<b>Net Assets</b>		<b>432,030.25</b>
<b>Equity</b>		
Share capital		598,000.20
Retained earnings		(165,969.95)
<b>Total Equity</b>		<b>432,030.25</b>

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

# Notes to the Financial Statements

## Dasset

### For the year ended 31 March 2018

#### 1. Reporting Entity

Dasset is a company incorporated in New Zealand, and registered under the Companies Act 1993.

These financial statements have not been prepared for external use. They are intended for tax purposes only and should not be relied upon for any other purpose.

#### 2. Statement of Accounting Policies

##### Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with the requirements of the Tax Administration Act 1994 unless otherwise stated.

The financial statements have been prepared applying the principles of the double-entry method of recording financial transactions and accrual accounting. Items are recorded using tax values where those values are consistent with accrual accounting and double-entry principles. Items may also be recorded at historical cost where tax values are not consistent with accrual accounting or double-entry principles, or in the company's opinion historical cost provides a better basis of valuation. Items may also be recorded at market values where in the company's opinion this provides a better valuation basis than tax or historical cost.

The financial statements have been specifically prepared for the purposes of meeting the company's income tax requirements.

##### Historical Cost

These financial statements have been prepared on a historical cost basis.

##### Presentation Currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest NZ dollar, except when otherwise indicated.

##### Changes in Accounting Policies

The Company follows special purpose financial reporting in accordance with the Tax Administration Act 1994. There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

##### Goods and Services Tax

All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

##### Depreciation

Depreciation has been calculated using the maximum rates permitted by the Income Tax Act 2007. Gains and losses on disposals of fixed assets are taken into account in determining the operating result for the year.

Account	Method	Rate
Computer Equipment	Diminishing Value (100%)	50%



## Research and Development

Research and Development expenditure is accounted for in accordance with IAS 38.

## Income Tax

Income tax is accounted for using the taxes payable method. The income tax expense in profit or loss represents the estimated current obligation payable to Inland Revenue in respect of each reporting period after adjusting for any variances between estimated and actual income tax payable in the prior reporting period.

	2018	2017
<b>3. Income Tax Expense</b>		
Net Profit (Loss) before Taxation	(188,957.99)	-
<b>Additions to Taxable Profit</b>		
Non-Deductible Entertainment	226.10	-
Losses Surrendered for R&D Tax Credit Claim	82,100.15	-
<b>Total Additions to Taxable Profit</b>	<b>82,326.25</b>	<b>-</b>
<b>Deductions from Taxable Profit</b>		
Unrealised Cryptocurrency Operational Revaluations	99,262.86	-
Unrealised Currency Gains	75.92	-
<b>Total Deductions from Taxable Profit</b>	<b>99,338.78</b>	<b>-</b>
Taxable Profit (Loss)	(205,970.52)	-
Tax Payable at 28%	-	-
<b>Deductions from Tax Payable</b>		
Dividend Imputation Credits	-	-
Resident Withholding Tax Paid	-	-
Provisional Tax Paid	-	-
<b>Total Deductions from Tax Payable</b>	<b>-</b>	<b>-</b>
Income Tax Payable (Refund Due)	-	-

Income tax losses available to be carried forward total \$205,970.52 (2017: \$Nil). This includes the forfeit of \$82,100.15 losses for R&D cash out purposes.

These losses are subject to Inland Revenue confirmation.

	2018	2017
<b>4. Property, Plant and Equipment</b>		
<b>Other Fixed Assets</b>		
Computer Equipment	9,429.39	-
Less Accumulated Depreciation on Computer Equipment	(1,507.60)	-
<b>Total Other Fixed Assets</b>	<b>7,921.79</b>	<b>-</b>
<b>Total Property, Plant and Equipment</b>	<b>7,921.79</b>	<b>-</b>

**Deloitte.**  
Private

# Financial Statements

Dasset  
For the year ended 31 March 2019

Prepared by Deloitte Limited



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# Compilation Report

## Dasset

### For the year ended 31 March 2019

Compilation Report to the Directors of Dasset

#### Scope

On the basis of information you provided, we have compiled financial statements in accordance with Service Engagement Standard 2: Compilation of Financial Information, for Dasset for the year ended 31 March 2019 as set out on the following pages.

Except as described below, these financial statements have been prepared in accordance with the requirements of the Tax Administration Act 1994 including the accounting policies described in the Notes to the Financial Statements.

These financial statements are intended for the purposes of meeting the company's income tax requirements and should not be relied upon for any other purpose. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

#### Responsibilities

You are solely responsible for the information contained in the financial statements and have determined that the financial reporting basis described in the Notes to the Financial Statements are appropriate to meet your needs and for the purpose that the financial statements were prepared.

The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

#### No Audit or Review Engagement Undertaken

Our procedures use accounting expertise to undertake the compilation of the financial statements from information you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.

#### Disclaimer

As detailed above, we have compiled the financial statements based on information provided to us which has not been subject to an audit or review engagement. Accordingly, neither we nor any of our employees accept responsibility for the reliability, accuracy or completeness of the material from which the financial statements have been prepared, nor accordingly, the accuracy of the financial statements. We do not accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on the compiled financial information.

*Deloitte Limited*

Deloitte Limited  
(as Trustee for the Deloitte Trading Trust)

Dated: 30 May 2019

# Directory

## Dasset

For the year ended 31 March 2019

### Nature of Business

Digital cryptocurrency exchange

### Registered Office

162 Victoria Street West

Auckland Central

Auckland 1010

New Zealand

### Company Number

6261371

### Incorporation Date

24 April 2017

### New Zealand Business Number

9429046068682

### Shareholders

Total Shares Issued	10,000,000
<b>Held by:</b>	
Techemy Limited	3,400,000
Stephen Macaskill	3,246,953
Flo2cash Group Limited	1,230,000
Collins Production Corp	606,864
Xray Trust Limited	576,923
Fran Strajnar	246,953
Gareth Davies	200,000
Perriam Developments Limited	192,307
Paul Caleb Salisbury	150,000
Matthew Griffin	150,000

### IRD Number

122-852-059

Directory**Directors**

Karam Kaur Gill

Stephen Macaskill

Fran Strajnar

**Chartered Accountant**

Deloitte Limited

(as Trustee for the Deloitte Trading Trust)

**Bankers**

ANZ New Zealand Limited

**Solicitors**

Bell Gully

Duncan Cotterill

# Financial Statements Approval

**Dasset**

**For the year ended 31 March 2019**

On this date the Directors approve and issue the financial statements of Dasset for year ended 31 March 2019.

APPROVED

For and on behalf of the Board of Directors

\_\_\_\_\_

Karam Kaur Gill

Date \_\_\_\_\_

\_\_\_\_\_

Stephen Macaskill

Date \_\_\_\_\_

\_\_\_\_\_

Fran Strajnar

Date \_\_\_\_\_

# Statement of Profit or Loss

## Dasset

For the year ended 31 March 2019

	NOTES	2019
<b>Income</b>		
<b>Exchange Operations</b>		
Fees Revenue		17,507
<b>Total Exchange Operations</b>		<b>17,507</b>
<b>Market Operations</b>		
Trading Revenue		30,699
<b>Total Market Operations</b>		<b>30,699</b>
<b>Total Income</b>		<b>48,206</b>
<b>Cost of Sales</b>		
<b>Exchange Operations</b>		
Cost of Sales - Exchange		91,100
<b>Total Exchange Operations</b>		<b>91,100</b>
<b>Market Operations</b>		
Cost of Sales - Market		14,777
<b>Total Market Operations</b>		<b>14,777</b>
<b>Total Cost of Sales</b>		<b>105,877</b>
<b>Gross Profit</b>		<b>(57,671)</b>
<b>Other Income</b>		
Interest Income		1,081
Other Revenue		4,980
<b>Total Other Income</b>		<b>6,061</b>
<b>Operating Expenses</b>		
Assets<\$500		382
Bank Fees		745
Compliance Expenses		13,999
Consulting & Accounting		3,168
Depreciation and Amortisation		4,772
<b>Entertainment</b>		
Entertainment		596
Entertainment - Non deductible		685
<b>Total Entertainment</b>		<b>1,281</b>
Hedging Expenses		3,075
Marketing Expenses		9,790
Office Expenses		2,599
Legal expenses		3,598
Rental, Lease and Licence Payments		33,879
Research and Development		11,751

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.



## Statement of Profit or Loss

	NOTES	2019
SaaS		23,408
Salaries and Wages Paid to Employees		265,830
Subscriptions		200
Training & Development		122
Travel - National		1,886
<b>Total Operating Expenses</b>		<b>380,486</b>
<b>Operating Profit</b>		<b>(432,095)</b>
<b>Total Foreign Currency Gains and Losses</b>		
Realised Cryptocurrency Gains and Losses		(376,132)
Realised Hedging Gains and Losses		868
Unrealised Cryptocurrency Gains and Losses		436,283
Realised Foreign Currency Gains and Losses		(4,607)
Unrealised Foreign Currency Gains and Losses		8,959
<b>Total Total Foreign Currency Gains and Losses</b>		<b>65,371</b>
<b>Net Profit (Loss) before Taxation</b>		<b>(366,724)</b>
<b>Taxation and Adjustments</b>		
Income Tax Expense		(33,923)
<b>Total Taxation and Adjustments</b>		<b>(33,923)</b>
<b>Net Profit (Loss) for the Year</b>		<b>(332,800)</b>

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

## Statement of Changes in Equity

Dasset

For the year ended 31 March 2019

	2019	2018
<b>Equity</b>		
Opening Balance	432,030	-
<b>Increases</b>		
Share capital	-	598,000
<b>Total Increases</b>	<b>-</b>	<b>598,000</b>
<b>Decreases</b>		
Loss for the period	332,800	165,970
<b>Total Decreases</b>	<b>332,800</b>	<b>165,970</b>
<b>Total Equity</b>	<b>99,230</b>	<b>432,030</b>

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

# Balance Sheet

Dasset  
As at 31 March 2019

	NOTES	31 MAR 2019
<b>Assets</b>		
<b>Current Assets</b>		
Alpha Point - Prepaid Fees		66,136
Operating Assets	5	6,337
Remarketer Assets	6	443,543
Withholding tax paid		356
Income tax receivable		33,923
GST receivable		3,542
<b>Total Current Assets</b>		<b>553,837</b>
<b>Fixed Assets</b>		
Computer Equipment	4	11,862
Less Accumulated Depreciation on Computer Equipment		(6,280)
<b>Total Fixed Assets</b>		<b>5,583</b>
<b>Total Assets</b>		<b>559,420</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Trade and other payables		27,594
Wage accruals		4,574
<b>Total Current Liabilities</b>		<b>32,168</b>
<b>Non-Current Liabilities</b>		
Directors' Loan - Cryptocurrencies	9	428,023
<b>Total Non-Current Liabilities</b>		<b>428,023</b>
<b>Total Liabilities</b>		<b>460,190</b>
<b>Net Assets</b>		<b>99,230</b>
<b>Equity</b>		
Current year earnings		(332,800)
Retained earnings		(165,970)
Share capital		598,000
<b>Total Equity</b>		<b>99,230</b>

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

# Notes to the Financial Statements

## Dasset

### For the year ended 31 March 2019

#### 1. Reporting Entity

Dasset is a company incorporated in New Zealand, and registered under the Companies Act 1993.

These financial statements have not been prepared for external use. They are intended for tax purposes only and should not be relied upon for any other purpose.

#### 2. Statement of Accounting Policies

##### Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with the requirements of the Tax Administration Act 1994 unless otherwise stated.

The financial statements have been prepared applying the principles of the double-entry method of recording financial transactions and accrual accounting. Items are recorded using tax values where those values are consistent with accrual accounting and double-entry principles. Items may also be recorded at historical cost where tax values are not consistent with accrual accounting or double-entry principles, or in the company's opinion historical cost provides a better basis of valuation. Items may also be recorded at market values where in the company's opinion this provides a better valuation basis than tax or historical cost.

The financial statements have been specifically prepared for the purposes of meeting the company's income tax requirements.

##### Historical Cost

These financial statements have been prepared on a historical cost basis.

##### Presentation Currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest NZ dollar, except when otherwise indicated.

##### Changes in Accounting Policies

The Company follows special purpose financial reporting in accordance with the Tax Administration Act 1994. There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

##### Goods and Services Tax

All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

##### Depreciation

Depreciation has been calculated using the maximum rates permitted by the Income Tax Act 2007. Gains and losses on disposals of fixed assets are taken into account in determining the operating result for the year.

Account	Method	Rate
Computer Equipment	Diminishing Value (100%)	50%

## Research and Development

Research and Development expenditure is accounted for in accordance with IAS 38.

## Income Tax

Income tax is accounted for using the taxes payable method. The income tax expense in profit or loss represents the estimated current obligation payable to Inland Revenue in respect of each reporting period after adjusting for any variances between estimated and actual income tax payable in the prior reporting period.

	2019
<b>3. Income Tax Expense</b>	
Net Profit (Loss) before Taxation	(366,724)
<b>Additions to Taxable Profit</b>	
Non-Deductible Entertainment	685
Losses Surrendered for R&D Tax Credit Claim	121,155
<b>Total Additions to Taxable Profit</b>	<b>121,840</b>
<b>Deductions from Taxable Profit</b>	
Losses Brought Forward	205,971
Unrealised Cryptocurrency Operational Revaluations	436,283
Unrealised Foreign Currency Gains and Losses	8,959
<b>Total Deductions from Taxable Profit</b>	<b>651,213</b>
Taxable Profit (Loss)	(896,097)
Tax Payable at 28%	-
<b>Deductions from Tax Payable</b>	
R&D Tax Credit Receivable	33,923
Resident Withholding Tax Paid	356
Provisional Tax Paid	-
<b>Total Deductions from Tax Payable</b>	<b>34,279</b>
Income Tax Payable (Refund Due)	(34,279)

Income tax losses available to be carried forward total \$896,096.52 (2018: \$205,970.52).

These losses are subject to Inland Revenue confirmation.

	2019
<b>4. Property, Plant and Equipment</b>	
<b>Other Fixed Assets</b>	
Computer Equipment	11,862
Less Accumulated Depreciation on Computer Equipment	(6,280)
<b>Total Other Fixed Assets</b>	<b>5,583</b>
<b>Total Property, Plant and Equipment</b>	<b>5,583</b>

## Notes to the Financial Statements

2019

**5. Operating Assets**

Alpha Point Fee Account - Cryptocurrencies	7,692
ANZ Fee Account Funds - NZD	3,094
ANZ Current Account	268
ANZ Premium Call Account	88
ANZ Credit Card	(4,995)
ERC20 Tokens Fees Fund	191
<b>Total Operating Assets</b>	<b>6,337</b>

2019

**6. Remarketer Assets**

Alpha Point Remarketer Account - Cryptocurrencies	159,579
ANZ Remarketer Account Funds - NZD	(1,013)
Bitfinex - Exchange Wallets	112,680
Bitfinex - Margin Wallets	5,860
Kraken - Exchange Wallets	166,430
OMF - Foreign Exchange Account	7
<b>Total Remarketer Assets</b>	<b>443,543</b>

**7. Customer Funds Held in Trust**

Below is a schedule of funds that are not represented in the Statement of Financial Position because they are held in trust on behalf of customers.

2019

**Customer Funds**

BTC	132,056
ETH	38,710
XRP	58,453
LTC	49,183
NZD	91,759
BCH	2,195
EOS	14,642
TUSD	4
REP	119
ZRX	27
STORJ	370
XLM	1,165
USD	1
<b>Total Customer Funds</b>	<b>388,684</b>

## Notes to the Financial Statements

**8. ANZ Customer Funds Accounts**

Below is a schedule of New Zealand dollar funds that are not represented in the Statement of Financial Position because they are held in trust on behalf of customers in designated ANZ bank accounts.

	2019
<b>ANZ Designated Bank Accounts</b>	
ANZ Customer Funds - NZD	35,924
ANZ Customer Funds (Poli) - NZD	57,916
Less Fee Account Funds	(3,094)
Less Remarketer Account Funds	1,013
<b>Total ANZ Designated Bank Accounts</b>	<b>91,759</b>

	2019
<b>9. Directors' Loan - Cryptocurrencies</b>	
ETH	41,608
BTC	181,067
LTC	26,798
XRP	9,092
BCH	19,869
EOS	43,017
REP	13,611
STORJ	9,464
TUSD	74,000
ZRX	9,497
<b>Total Directors' Loan - Cryptocurrencies</b>	<b>428,023</b>

# Financial Statements

Digital Asset Exchange Limited

31 March 2020





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# Compilation Report

## Dasset

### For the year ended 31 March 2020

Compilation Report to the Directors of Dasset

#### Scope

On the basis of information you provided, we have compiled financial statements in accordance with Service Engagement Standard 2: Compilation of Financial Information, for Dasset for the year ended 31 March 2020 as set out on the following pages.

Except as described below, these financial statements have been prepared in accordance with the requirements of the Tax Administration Act 1994 including the accounting policies described in the Notes to the Financial Statements.

These financial statements are intended for the purposes of meeting the company's income tax requirements and should not be relied upon for any other purpose. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

#### Responsibilities

You are solely responsible for the information contained in the financial statements and have determined that the financial reporting basis described in the Notes to the Financial Statements are appropriate to meet your needs and for the purpose that the financial statements were prepared.

The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

#### No Audit or Review Engagement Undertaken

Our procedures use accounting expertise to undertake the compilation of the financial statements from information you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.

#### Disclaimer

As detailed above, we have compiled the financial statements based on information provided to us which has not been subject to an audit or review engagement. Accordingly, neither we nor any of our employees accept responsibility for the reliability, accuracy or completeness of the material from which the financial statements have been prepared, nor accordingly, the accuracy of the financial statements. We do not accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on the compiled financial information.

*Deloitte Limited*

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Deloitte Limited  
(as Trustee for the Deloitte Trading Trust)

Dated: 1 July 2020

# Directory

## Dasset

For the year ended 31 March 2020

### Nature of Business

Digital cryptocurrency exchange

### Registered Office

162 Victoria Street West

Auckland Central

Auckland 1010

New Zealand

### Company Number

6261371

### Incorporation Date

24 April 2017

### New Zealand Business Number

9429046068682

### Shareholders

Total Shares Issued	10,000,000
<b>Held by:</b>	
Techemy Limited	3,400,000
Stephen Macaskill	3,246,953
Flo2cash Group Limited	1,230,000
Collins Production Corp	606,864
Xray Trust Limited	576,923
Fran Strajnar	246,953
Gareth Davies	200,000
Perriam Developments Limited	192,307
Paul Caleb Salisbury	150,000
Matthew Griffin	150,000

### IRD Number

122-852-059

Directory**Directors**

Karam Kaur Gill

Stephen Macaskill

Fran Strajnar

**Chartered Accountant**

Deloitte Limited  
(as Trustee for the Deloitte Trading Trust)

**Bankers**

ANZ New Zealand Limited

**Solicitors**

Bell Gully

Duncan Cotterill

# Financial Statements Approval

**Dasset**

**For the year ended 31 March 2020**

On this date the Directors approve and issue the financial statements of Dasset for year ended 31 March 2020.

APPROVED

For and on behalf of the Board of Directors

\_\_\_\_\_

Karam Kaur Gill

Date \_\_\_\_\_

\_\_\_\_\_

Stephen Macaskill

Date \_\_\_\_\_

\_\_\_\_\_

Fran Strajnar

Date \_\_\_\_\_

# Statement of Profit or Loss

## Dasset

For the year ended 31 March 2020

	NOTES	2020	2019
<b>Income</b>			
<b>Exchange Operations</b>			
Custodial Services		1,519	-
Fees Revenue		23,093	17,507
<b>Total Exchange Operations</b>		<b>24,613</b>	<b>17,507</b>
<b>Market Operations</b>			
Trading Revenue		(20,092)	30,699
<b>Total Market Operations</b>		<b>(20,092)</b>	<b>30,699</b>
<b>Total Income</b>		<b>4,521</b>	<b>48,206</b>
<b>Cost of Sales</b>			
<b>Exchange Operations</b>			
Cost of Sales - Exchange		79,852	91,100
<b>Total Exchange Operations</b>		<b>79,852</b>	<b>91,100</b>
<b>Market Operations</b>			
Cost of Sales - Market		10,186	14,777
<b>Total Market Operations</b>		<b>10,186</b>	<b>14,777</b>
<b>Total Cost of Sales</b>		<b>90,038</b>	<b>105,877</b>
<b>Gross Profit</b>		<b>(85,516)</b>	<b>(57,671)</b>
<b>Other Income</b>			
Interest Income		406	1,081
Other Revenue		-	4,980
<b>Total Other Income</b>		<b>406</b>	<b>6,061</b>
<b>Operating Expenses</b>			
Assets < \$500		799	382
Audit Expense		24,675	-
Bank Fees		610	745
Compliance Expenses		15,582	13,999
Consulting & Accounting		2,701	3,168
Contractor and Sub-Contractor Payments		57,611	-
Depreciation and Amortisation		3,008	4,772
Entertainment		969	1,281
Hedging Expenses		33,180	3,075
Income Tax Expense		(133,067)	(33,923)
KiwiSaver Employer Contributions		6,063	3,809
Legal expenses		36	3,598
Marketing Expenses		23,405	9,790
Office Expenses		1,898	2,599
Rental, Lease and Licence Payments		26,194	33,879

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

## Statement of Profit or Loss

	NOTES	2020	2019
Research and Development		619,075	105,213
SaaS		56,585	23,408
Salaries and Wages Paid to Employees		220,186	168,559
Subscriptions		1,782	200
Training & Development		4,026	122
Travel - National		-	1,886
<b>Total Operating Expenses</b>		<b>965,318</b>	<b>346,562</b>
<b>Operating Profit</b>		<b>(1,050,428)</b>	<b>(398,172)</b>
<b>Total Foreign Currency Gains &amp; Losses</b>			
Bank Revaluations		(2,729)	(9,052)
Realised Cryptocurrency Gains & Losses		449,802	376,132
Realised Foreign Currency Gains & Losses		1,516	4,607
Realised Hedging Gains & Losses		80,296	(868)
Unrealised Cryptocurrency Gains & Losses		840	(436,283)
Unrealised Foreign Currency Gains and Losses		675	93
<b>Total Total Foreign Currency Gains &amp; Losses</b>		<b>530,400</b>	<b>(65,371)</b>
<b>Net Profit (Loss) before Taxation</b>		<b>(1,580,828)</b>	<b>(332,800)</b>
<b>Net Profit (Loss) for the Year</b>		<b>(1,580,828)</b>	<b>(332,800)</b>

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

# Statement of Changes in Equity

Dasset

For the year ended 31 March 2020

	2020	2019
<b>Equity</b>		
Opening Balance	99,230	432,031
<b>Increases</b>		
Funds Introduced	1,369,659	-
<b>Total Increases</b>	<b>1,369,659</b>	<b>-</b>
<b>Decreases</b>		
Loss for the period	1,580,828	332,800
<b>Total Decreases</b>	<b>1,580,828</b>	<b>332,800</b>
<b>Total Equity</b>	<b>(111,939)</b>	<b>99,230</b>

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.



# Balance Sheet

## Dasset

As at 31 March 2020

	NOTES	31 MAR 2020	31 MAR 2019
<b>Assets</b>			
<b>Current Assets</b>			
<b>Cash and bank</b>			
ANZ Current Account		126	268
ANZ Customer Funds - NZD		915	35,924
ANZ Customer Funds (Poli)- NZD		-	57,916
ANZ Premium Call Account		-	88
<b>Total Cash and bank</b>		<b>1,041</b>	<b>94,196</b>
Alpha Point - Prepaid Fees		-	66,136
Bittrex - Master Account Wallets		35,141	-
Combined Exchange Wallets - Cryptocurrencies		26	-
GST receivable		54,108	3,542
Income tax receivable		133,120	34,279
Remarketer Assets	5	-	452,439
<b>Total Current Assets</b>		<b>223,437</b>	<b>650,592</b>
<b>Fixed Assets</b>			
Computer Equipment	4	17,058	11,862
Less Accumulated Depreciation on Computer Equipment		(9,287)	(6,280)
<b>Total Fixed Assets</b>		<b>7,770</b>	<b>5,583</b>
<b>Total Assets</b>		<b>231,207</b>	<b>656,175</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts Payable		190,346	27,594
ANZ Credit Card		4,167	4,995
Customer Funds - NZD		78,993	91,759
Employee Payables		11,581	-
PAYE Payable		18,711	4,574
Unearned Revenues		39,348	-
<b>Total Current Liabilities</b>		<b>343,146</b>	<b>128,922</b>
<b>Non-Current Liabilities</b>			
Directors' Loan - Cryptocurrencies		-	428,023
<b>Total Non-Current Liabilities</b>		<b>-</b>	<b>428,023</b>
<b>Total Liabilities</b>		<b>343,146</b>	<b>556,944</b>
<b>Net Assets</b>		<b>(111,939)</b>	<b>99,230</b>
<b>Equity</b>			
Current year earnings		(1,580,828)	(332,800)
JW - Funds Introduced		4,325	-
Retained earnings		(498,770)	(165,969)

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

## Balance Sheet

	NOTES	31 MAR 2020	31 MAR 2019
Share capital		598,000	598,000
SM - Funds Introduced		989,164	-
Techemy Limited - Funds Introduced		376,170	-
<b>Total Equity</b>		<b>(111,939)</b>	<b>99,230</b>

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

# Notes to the Financial Statements

## Dasset

### For the year ended 31 March 2020

#### 1. Reporting Entity

Dasset is a company incorporated in New Zealand, and registered under the Companies Act 1993.

These financial statements have not been prepared for external use. They are intended for tax purposes only and should not be relied upon for any other purpose.

#### 2. Statement of Accounting Policies

##### Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with the requirements of the Tax Administration Act 1994 unless otherwise stated.

The financial statements have been prepared applying the principles of the double-entry method of recording financial transactions and accrual accounting. Items are recorded using tax values where those values are consistent with accrual accounting and double-entry principles. Items may also be recorded at historical cost where tax values are not consistent with accrual accounting or double-entry principles, or in the company's opinion historical cost provides a better basis of valuation. Items may also be recorded at market values where in the company's opinion this provides a better valuation basis than tax or historical cost.

The financial statements have been specifically prepared for the purposes of meeting the company's income tax requirements.

##### Historical Cost

These financial statements have been prepared on a historical cost basis.

##### Presentation Currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest NZ dollar, except when otherwise indicated.

##### Changes in Accounting Policies

The Company follows special purpose financial reporting in accordance with the Tax Administration Act 1994. There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

##### Goods and Services Tax

All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

##### Depreciation

Depreciation has been calculated using the maximum rates permitted by the Income Tax Act 2007. Gains and losses on disposals of fixed assets are taken into account in determining the operating result for the year.

Account	Method	Rate
Computer Equipment	Diminishing Value	50%

## Research and Development

Research and Development expenditure is accounted for in accordance with IAS 38.

## Income Tax

Income tax is accounted for using the taxes payable method. The income tax expense in profit or loss represents the estimated current obligation payable to Inland Revenue in respect of each reporting period after adjusting for any variances between estimated and actual income tax payable in the prior reporting period.

	2020	2019
<b>3. Income Tax Expense</b>		
Net Profit (Loss) before Taxation	(1,713,895)	(366,724)
<b>Additions to Taxable Profit</b>		
Unrealised Cryptocurrency Operational Revaluations	427,802	-
Non-Deductible Entertainment	518	685
Losses Surrendered for R&D Tax Credit Claim	475,238	121,155
<b>Total Additions to Taxable Profit</b>	<b>903,559</b>	<b>121,840</b>
<b>Deductions from Taxable Profit</b>		
Losses Brought Forward	896,096	205,971
Unrealised Cryptocurrency Operational Revaluations	-	436,283
Unrealised Foreign Currency Gains and Losses	2,054	8,959
<b>Total Deductions from Taxable Profit</b>	<b>898,150</b>	<b>651,213</b>
Taxable Profit (Loss)	(1,708,486)	(896,096)
Tax Payable at 28%	-	-
<b>Deductions from Tax Payable</b>		
R&D Tax Credit Receivable	133,067	33,923
Resident Withholding Tax Paid	53	356
Provisional Tax Paid	-	-
<b>Total Deductions from Tax Payable</b>	<b>133,120</b>	<b>34,279</b>
Income Tax Payable (Refund Due)	(133,120)	(34,279)

Income tax losses available to be carried forward total \$1,708,485.94 (2019: \$896,096.52).

These losses are subject to Inland Revenue confirmation.

	2020	2019
<b>4. Property, Plant and Equipment</b>		
<b>Other Fixed Assets</b>		
Computer Equipment	17,058	11,862
Less Accumulated Depreciation on Computer Equipment	(9,287)	(6,280)
<b>Total Other Fixed Assets</b>	<b>7,770</b>	<b>5,583</b>
<b>Total Property, Plant and Equipment</b>	<b>7,770</b>	<b>5,583</b>
	2020	2019

## 5. Remarketer Assets

Alpha Point Remarketer Account - Cryptocurrencies	-	159,579
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	2020	2019
ANZ Remarketer Account Funds - NZD	-	(1,013)
Bitfinex - Exchange Wallets	-	112,680
Bitfinex - Margin Wallets	-	5,860
Kraken - Exchange Wallets	-	166,430
OMF - Foreign Exchange Account	-	7
<b>Total Remarketer Assets</b>	-	<b>443,543</b>

## 6. Customer Funds Held in Trust

Below is a schedule of funds that are not represented in the Statement of Financial Position because they are held in trust on behalf of customers.

	2020	2019
<b>Customer Funds Held in Trust</b>		
<b>Customer Funds</b>		
BTC	328,160	132,056
ETH	55,893	38,710
XRP	71,657	58,453
LTC	49,485	49,183
NZD	-	91,759
BCH	4,317	2,195
EOS	9,356	14,642
TUSD	-	4
REP	533	119
ZRX	49	27
STORJ	99	370
XLM	2,036	1,165
USD	-	1
ADA	1,874	-
XTZ	1,142	-
TRX	421	-
HBAR	295	-
DOGE	122	-
DAI	88	-
BAT	84	-
LINK	60	-
BTXCRD	32	-
KMD	15	-
<b>Total Customer Funds</b>	<b>525,720</b>	<b>388,684</b>
<b>Custody Funds</b>		
ADA	3,957	-
<b>Total Custody Funds</b>	<b>3,957</b>	-

## 7. Equity Conversion

As at 31 March 2020 the Board has agreed that the following liabilities will be converted to equity:

- Directors loans of \$980,383.82 owing to Stephen Macaskill
- Outstanding Director reimbursements of \$8,779.98 owing to Stephen Macaskill
- Outstanding trade payables owing to Techemy Limited of \$376,169.86

- Outstanding wages owing to Jason Wood \$4,325.00

Although these equity conversions were agreed upon, and relate to payments in FY20, the shares were not issued until FY21. The shares were issued on 29th June 2020 at a price of \$0.63 per share. This is the same price as the Series A funding round currently being undertaken.

## 8. Going Concern

When considering our solvency, and with regards to the debt to equity conversion we believe that we still have going concern for the following reasons:

- At the beginning of May 2020 a \$500,000 loan was issued with an 11% annual interest rate.
- A \$20,800 loan has been issued from the government under the small business loan scheme.
- These loans, and the expected tax refund should keep Dasset going for the rest of the year, during which time fees will be implemented on the platform, and the series A funding round will be undertaken.

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# Compilation Report

## Dasset

### For the year ended 31 March 2021

Compilation Report to the Directors of Dasset

#### Scope

On the basis of information you provided, we have compiled financial statements in accordance with Service Engagement Standard 2: Compilation of Financial Information, for Dasset for the year ended 31 March 2021 as set out on the following pages.

Except as described below, these financial statements have been prepared in accordance with the requirements of the Tax Administration Act 1994 including the accounting policies described in the Notes to the Financial Statements.

These financial statements are intended for the purposes of meeting the company's income tax requirements and should not be relied upon for any other purpose. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

#### Responsibilities

You are solely responsible for the information contained in the financial statements and have determined that the financial reporting basis described in the Notes to the Financial Statements are appropriate to meet your needs and for the purpose that the financial statements were prepared.

The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

#### No Audit or Review Engagement Undertaken

Our procedures use accounting expertise to undertake the compilation of the financial statements from information you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.

#### Disclaimer

As detailed above, we have compiled the financial statements based on information provided to us which has not been subject to an audit or review engagement. Accordingly, neither we nor any of our employees accept responsibility for the reliability, accuracy or completeness of the material from which the financial statements have been prepared, nor accordingly, the accuracy of the financial statements. We do not accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on the compiled financial information.

---

Deloitte Limited  
(as Trustee for the Deloitte Trading Trust)

Dated: \_\_\_\_\_



# Directory

## Dasset

For the year ended 31 March 2021

### Nature of Business

Digital cryptocurrency exchange

### Registered Office

162 Victoria Street West

Auckland Central

Auckland 1010

New Zealand

### Company Number

6261371

### Incorporation Date

24 April 2017

### New Zealand Business Number

9429046068682

### Shareholders

Total Shares Issued	12,174,061
<b>Held by:</b>	
Techemy Limited	3,997,095
Stephen Macaskill	4,817,054
Flo2cash Group Limited	1,230,000
Collins Production Corp	606,864
Xray Trust Limited	576,923
Fran Strajnar	246,953
Gareth Davies	200,000
Perriam Developments Limited	192,307
Paul Caleb Salisbury	150,000
Matthew Griffin	150,000
Thomas Wood	6,865

### IRD Number

122-852-059

**Directors**

Karam Kaur Gill

Stephen Macaskill

Fran Strajnar

**Chartered Accountant**

Deloitte Limited  
(as Trustee for the Deloitte Trading Trust)

**Bankers**

ANZ New Zealand Limited

**Solicitors**

Bell Gully

Duncan Cotterill

# Financial Statements Approval

**Dasset**

**For the year ended 31 March 2021**

On this date the Directors approve and issue the financial statements of Dasset for year ended 31 March 2021.

APPROVED

For and on behalf of the Board of Directors

\_\_\_\_\_

Karam Kaur Gill

Date \_\_\_\_\_

\_\_\_\_\_

Stephen Macaskill

Date \_\_\_\_\_

\_\_\_\_\_

Fran Strajnar

Date \_\_\_\_\_

# Statement of Profit or Loss

## Dasset

For the year ended 31 March 2021

	NOTES	2021	2020
<b>Income</b>			
<b>Exchange Operations</b>			
Custodial Services		4	1,519
Fees Revenue		166,737	23,093
<b>Total Exchange Operations</b>		<b>166,741</b>	<b>24,613</b>
<b>Market Operations</b>			
Trading Revenue		-	(20,092)
<b>Total Market Operations</b>		<b>-</b>	<b>(20,092)</b>
<b>Total Income</b>		<b>166,741</b>	<b>4,521</b>
<b>Cost of Sales</b>			
Exchange Operations		-	79,852
Market Operations		-	10,186
Processing Fees		36,503	-
Customer Support Fees		10,000	-
<b>Total Cost of Sales</b>		<b>46,503</b>	<b>90,038</b>
<b>Gross Profit</b>		<b>120,238</b>	<b>(85,516)</b>
<b>Other Income</b>			
Interest Income		15	406
Other Revenue		60,894	-
<b>Total Other Income</b>		<b>60,909</b>	<b>406</b>
<b>Operating Expenses</b>			
Audit Expense		-	24,675
Bank Fees		365	610
Compliance Expenses		11,518	15,582
Consulting & Accounting		39,966	2,701
Contractor and Sub-Contractor Payments		-	57,611
Depreciation and Amortisation		3,885	3,008
Entertainment		3,442	969
General Expenses		2,105	-
Hedging Expenses		-	33,180
Income Tax Expense		(99,347)	(133,067)
Interest and Finance Charges		52,823	-
KiwiSaver Employer Contributions		10,788	6,063
Legal expenses		863	36
Marketing Expenses		29,608	23,405
Office Expenses		3,984	1,898
Rental, Lease and Licence Payments		11,229	26,194
Research and Development		255,651	619,075
Small Value Assets		-	799

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

## Statement of Profit or Loss

	NOTES	2021	2020
Subscriptions		90,018	58,366
Salaries and Wages Paid to Employees		439,056	220,186
Training & Development		112	4,026
Travel - National		213	-
<b>Total Operating Expenses</b>		<b>856,278</b>	<b>965,318</b>
<b>Operating Profit</b>		<b>(675,131)</b>	<b>(1,050,428)</b>
<b>Total Foreign Currency Gains &amp; Losses</b>			
Bank Revaluations		-	(2,729)
Realised Cryptocurrency Gains & Losses		(435,321)	449,802
Realised Foreign Currency Gains & Losses		1,113	1,516
Realised Hedging Gains & Losses		-	80,296
Unrealised Cryptocurrency Gains & Losses		-	840
Unrealised Foreign Currency Gains and Losses		(1,407)	675
<b>Total Total Foreign Currency Gains &amp; Losses</b>		<b>(435,615)</b>	<b>530,400</b>
<b>Net Profit (Loss) before Taxation</b>		<b>(239,516)</b>	<b>(1,580,828)</b>
<b>Net Profit (Loss) for the Year</b>		<b>(239,516)</b>	<b>(1,580,828)</b>

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

# Statement of Changes in Equity

Dasset

For the year ended 31 March 2021

	2021	2020
<b>Equity</b>		
Opening Balance	(111,939)	99,230
<b>Increases</b>		
Funds Introduced	-	1,369,659
<b>Total Increases</b>	<b>-</b>	<b>1,369,659</b>
<b>Decreases</b>		
Loss for the period	239,516	1,580,828
<b>Total Decreases</b>	<b>239,516</b>	<b>1,580,828</b>
<b>Total Equity</b>	<b>(351,455)</b>	<b>(111,939)</b>

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

# Balance Sheet

## Dasset

As at 31 March 2021

	NOTES	31 MAR 2021	31 MAR 2020
<b>Assets</b>			
<b>Current Assets</b>			
Cash and bank		171,503	1,041
Bittrex - Master Account Wallets		-	35,141
Combined Exchange Wallets - Cryptocurrencies		-	26
GST receivable		4,963	54,108
Income tax receivable		99,353	133,120
Remarketer Assets	5	-	-
<b>Total Current Assets</b>		<b>275,819</b>	<b>223,437</b>
<b>Fixed Assets</b>			
Computer Equipment	4	17,058	17,058
Less Accumulated Depreciation on Computer Equipment		(13,173)	(9,287)
<b>Total Fixed Assets</b>		<b>3,885</b>	<b>7,770</b>
<b>Total Assets</b>		<b>279,704</b>	<b>231,207</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts Payable		43,434	190,346
Credit Cards		-	4,167
Customer Funds - NZD		-	78,993
Wage accruals		43,986	11,581
PAYE Payable		22,939	18,711
Unearned Revenues		-	39,348
<b>Total Current Liabilities</b>		<b>110,359</b>	<b>343,146</b>
<b>Non-Current Liabilities</b>			
Loans		520,800	-
<b>Total Non-Current Liabilities</b>		<b>520,800</b>	<b>-</b>
<b>Total Liabilities</b>		<b>631,159</b>	<b>343,146</b>
<b>Net Assets</b>		<b>(351,455)</b>	<b>(111,939)</b>
<b>Equity</b>			
Current year earnings		(239,516)	(1,580,828)
Retained earnings		(2,079,598)	(498,770)
JW - Funds Introduced		4,325	4,325
SM - Funds Introduced		989,164	989,164
Techemy Limited - Funds Introduced		376,170	376,170
Share capital		598,000	598,000
<b>Total Equity</b>		<b>(351,455)</b>	<b>(111,939)</b>

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

# Notes to the Financial Statements

## Dasset

### For the year ended 31 March 2021

#### 1. Reporting Entity

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The financial statements have been specifically prepared for the purposes of meeting the company's income tax requirements.

##### Historical Cost

These financial statements have been prepared on a historical cost basis.

##### Presentation Currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest NZ dollar, except when otherwise indicated.

##### Changes in Accounting Policies

The Company follows special purpose financial reporting in accordance with the Tax Administration Act 1994. There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

##### Goods and Services Tax

All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

##### Depreciation

Depreciation has been calculated using the maximum rates permitted by the Income Tax Act 2007. Gains and losses on disposals of fixed assets are taken into account in determining the operating result for the year.

Account	Method	Rate
Computer Equipment	Diminishing Value	50%



## Research and Development

Research and Development expenditure is accounted for in accordance with IAS 38.

## Income Tax

Income tax is accounted for using the taxes payable method. The income tax expense in profit or loss represents the estimated current obligation payable to Inland Revenue in respect of each reporting period after adjusting for any variances between estimated and actual income tax payable in the prior reporting period.

	2021	2020
<b>3. Income Tax Expense</b>		
Net Profit (Loss) before Taxation	(338,863)	(1,713,895)
<b>Additions to Taxable Profit</b>		
Covid-19 Wage Subsidy Paid	60,894	-
Unrealised Cryptocurrency Operational Revaluations	-	427,802
Non-Deductible Expenses	3,946	518
Losses Surrendered for R&D Tax Credit Claim	336,324	475,238
<b>Total Additions to Taxable Profit</b>	<b>401,163</b>	<b>903,559</b>
<b>Deductions from Taxable Profit</b>		
Covid-19 Wage Subsidy Received	60,894	-
Losses Brought Forward	1,708,486	896,096
Unrealised Foreign Currency Gains and Losses	1,407	2,054
<b>Total Deductions from Taxable Profit</b>	<b>1,770,786</b>	<b>898,150</b>
Taxable Profit (Loss)	(1,708,486)	(1,708,486)
Tax Payable at 28%	-	-
<b>Deductions from Tax Payable</b>		
R&D Tax Credit Receivable	99,347	133,067
Resident Withholding Tax Paid	7	53
Provisional Tax Paid	-	-
<b>Total Deductions from Tax Payable</b>	<b>99,354</b>	<b>133,120</b>
Income Tax Payable (Refund Due)	(99,354)	(133,120)

Income tax losses available to be carried forward total \$ 1,708,485.94 (2020: \$ 1,708,485.94).

These losses are subject to Inland Revenue confirmation.

	2021	2020
<b>4. Property, Plant and Equipment</b>		
<b>Other Fixed Assets</b>		
Computer Equipment	17,058	17,058
Less Accumulated Depreciation on Computer Equipment	(13,173)	(9,287)
<b>Total Other Fixed Assets</b>	<b>3,885</b>	<b>7,770</b>
<b>Total Property, Plant and Equipment</b>	<b>3,885</b>	<b>7,770</b>

2021 2020

**5. Remarketer Assets****6. Customer Funds Held in Trust**

Below is a schedule of funds that are not represented in the Statement of Financial Position because they are held in trust on behalf of customers.

2021 2020

**Customer Funds Held in Trust****Customer Funds**

BTC	-	328,160
ETH	-	55,893
XRP	-	71,657
LTC	-	49,485
BCH	-	4,317
EOS	-	9,356
DOT	208	-
REP	117	533
ZRX	-	49
STORJ	403	99
XLM	-	2,036
USD	620,620	-
UNI	517	-
ADA	-	1,874
XTZ	-	1,142
MANA	282	-
TRX	126	421
HBAR	-	295
RVN	273	-
DOGE	-	122
DAI	-	88
BAT	-	84
LINK	683	60
BTXCRD	-	32
KMD	-	15
<b>Total Customer Funds</b>	<b>623,229</b>	<b>525,720</b>

**Custody Funds**

ADA	-	3,957
<b>Total Custody Funds</b>	<b>-</b>	<b>3,957</b>

**7. Equity Conversion**

As at 31 March 2020 the Board agreed that the following liabilities will be converted to equity:

- Directors loans of \$980,383.82 owing to Stephen Macaskill

- Outstanding Director reimbursements of \$8,779.98 owing to Stephen Macaskill
- Outstanding trade payables owing to Techemy Limited of \$376,169.86
- Outstanding wages owing to Jason Wood \$4,325.00

Although these equity conversions were agreed upon, and relate to payments in FY20, the shares were not issued until FY21. The shares were issued on 29th June 2020 at a price of \$0.63 per share. This is the same price as the Series A funding round currently being undertaken.

## 8. Going Concern

When considering our solvency, and with regards to the debt to equity conversion we believe that we still have going concern for the following reasons:

- At the beginning of May 2020 a \$500,000 loan was issued with an 11% annual interest rate.
- A \$20,800 loan has been issued from the government under the small business loan scheme.
- The fees have been implemented on the platform, a series A funding round and The above loans a should keep Dasset going for the rest of the year.

MRM G

"MRM G"

This is the document marked "MRM G" referred to in the affidavit of MALCOLM RUSSELL MOORE sworn at Auckland this 8 day of July 2024 before me:

Sean William Gourley  
Auckland  
Solicitor

A Solicitor of the High Court of New Zealand

## Balance Sheet

Digital Asset Exchange Limited  
As at 12 August 2023

### Assets

Crypto assets	656,777
Accounts receivable	88,743
Fixed assets	1,457

**Total Assets** 746,977

### Liabilities

#### Current Liabilities

Customer liabilities	6,938,615
Accounts payable	50,304
Employee Payables	16,723
PAYE Payable	185,466
IRD Small Business Loan	21,578
GST	18,236

**Total Current Liabilities** 7,230,921

**Total Liabilities** 7,230,921

**Net Assets** (6,483,945)

### Equity

Current Year Earnings	(2,738,264)
Retained Earnings	(5,713,340)
Share Capital	1,967,659

**Total Equity** (6,483,945)