

October 29, 2024

Hon. Lewis A. Kaplan
United States District Court
Southern District of New York
Daniel Patrick Moynihan Courthouse
500 Pearl Street
New York, New York 10007-1312

Re: United States of America v. Nishad Singh (22 Cr. 673 (LAK))

Dear Judge Kaplan,

I am the Chief Executive Officer of FTX Trading Ltd. and its affiliated debtors and debtors-in-possession (collectively, “FTX” or the “Debtors”) in the chapter 11 cases (the “Chapter 11 Cases”) now pending before Judge John T. Dorsey of the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”). I write on behalf of FTX in connection with Nishad Singh’s sentencing, currently scheduled for October 30, 2024. As set forth more fully below, Mr. Singh has provided the Debtors with valuable assistance and cooperation. Mr. Singh also has agreed to provide further assistance and cooperation on an ongoing and prospective basis.

Background

I was appointed as CEO of FTX by Samuel Bankman-Fried during the early morning hours of November 11, 2022 (the “Petition Date”) by his execution and delivery of the Omnibus Corporate Authority attached to this letter as Exhibit A. I have over three decades of experience in complex multi-national restructurings and asset recovery exercises, first as a lawyer, as both external and internal counsel, and then leading the restructuring and asset recovery efforts as the senior business person. Among the matters I have led include Enron, Nortel Networks US, Overseas Shipholding Group and Residential Capital.

I report to an independent and experienced board of directors comprised of Matthew A. Doheny, Rishi Jain, Matthew R. Rosenberg and Mitchell I. Sonkin, each of whom have decades of experience in complex restructurings and asset recovery exercises involving such companies as MBIA, Residential Capital, Covanta Energy, USG, Yellow Corporation, and Nortel Networks US, as well as the Honorable Joseph J. Farnan, Jr. (Ret.), the former chief judge of the United States District Court for the District of Delaware and former United States Attorney for the District of Delaware (collectively, the “Board”). Prior to the Petition Date, neither I nor any of the Board members had any connection with FTX, Mr. Singh, or any of the other leaders of FTX. Judge Dorsey has repeatedly found that both I and the Board are independent and highly qualified to lead the Debtors.

The FTX Bankruptcy and Mr. Singh's Assistance

Shortly following the Petition Date, on November 14, 2022, Mr. Singh participated in a teleconference with the Debtors' advisors during which he provided information about FTX's computer systems. Mr. Singh, through his counsel, has also assisted the Debtors' advisors by answering questions and providing information relating to the Debtors' investigations and adversary proceedings. Mr. Singh has, through his counsel, also made substantial productions of documents to the Debtors in response to legal process. Mr. Singh has also assisted the Debtors by voluntarily returning Bahamian real estate that was purchased with Debtor funds. At the Debtors' request, Mr. Singh voluntarily conveyed to the Joint Official Liquidators of non-Debtor FTX Digital Markets Ltd. a property in the Bahamas that was purchased in his name for approximately \$1 million. In connection with the settlement of the Debtors' claims against him in *Alameda Research Ltd. et al. v. Bankman-Fried et al.*, 23-50381 (JTD) (Bankr. D. Del. May 17, 2023), Mr. Singh also assisted the Debtors by relinquishing his right and assigning to the Debtors assets held in his accounts at non-Debtor Embed Clearing LLC. This enabled the Debtors to more efficiently wind up the business operations of Embed Clearing LLC by ensuring that no custodied customer funds remained at Embed.

As the Court may know, the Debtors filed an adversary proceeding in the Bankruptcy Court against Mr. Singh and other former FTX insiders, including Mr. Bankman-Fried, asserting claims for, among other things, breach of fiduciary, waste of corporate assets and fraudulent transfers of estate assets. The Debtors are working to finalize a settlement with Mr. Singh, subject to approval by the Bankruptcy Court, pursuant to which Mr. Singh will turn over to the Debtors substantially all of his remaining assets after satisfying his forfeiture obligations, and will provide ongoing cooperation, including by making himself available to testify as needed, voluntarily providing documents and information, reviewing and clarifying documents, locating and retrieving assets, and answering questions from the Debtors' advisors. Given Mr. Singh's senior position within FTX prior to Chapter 11 Cases, his extensive knowledge of FTX's systems and processes, and his personal involvement in many key events and transactions, the Debtors expect that his cooperation will continue to be important to maximize recovery for the creditors.

Respectfully yours,



John J. Ray III