

Haydar Tuncer

From: s 22
Sent: Monday, 14 November 2022 7:46 AM
To: s 22
Subject: Re: FTX Australia in external administration [SEC=OFFICIAL:Sensitive]

Ok, I'll revise this morning to refer to the change of control and that ASIC approval is not required.

See you in the Melbourne office soon.

Kind regards

s 22

From: s 22 @asic.gov.au>
Sent: Monday, November 14, 2022 6:06:29 AM
To: s 22 @asic.gov.au>; s 22 @asic.gov.au>
Subject: Re: FTX Australia in external administration [SEC=OFFICIAL:Sensitive]


EXTERNAL EMAIL: Do not click any links or open any attachments unless you trust the sender and know the content is safe.

...I am thinking when it bought the licence rather than when the previous entity obtained it from ASIC.

From: s 22 @asic.gov.au>
Sent: Sunday, November 13, 2022 11:46:02 PM
To: s 22 @asic.gov.au>; s 22 @asic.gov.au>
Subject: RE: FTX Australia in external administration [SEC=OFFICIAL:Sensitive]

Hi s 22 and s 22

My suggested changes to the Scenario 2 MR draft are in the document.

 [FTX Australia MR - external administration 20221111.docx](#)

s 22 – For ease of reference while travelling, the revised draft MR reads:

ASIC suspends FTX Australia's AFS licence

ASIC has today suspended the Australian financial services licence of FTX Australia Pty Ltd (FTX Australia) (AFSL 323193) [for 6 months] after it was placed into voluntary administration on 11 November.

FTX Australia obtained its AFS licence in July 2008, while operating under a different name, management and ownership. Prior to the suspension, FTX Australia's licence permitted it to deal in, make a market for and provide general advice relating to derivatives and foreign exchange contracts to retail and wholesale clients. FTX Australia may only continue to provide financial services during the suspension that relate to the termination of existing derivatives with clients.

John Mouawad, Scoot Langdon and Rahul Goyal of KordaMentha have been appointed as voluntary administrators of FTX Australia and its subsidiary FTX Express Pty Ltd (FTX Express), operator of a digital currency exchange that is not regulated by ASIC.

Also on 11 November, FTX Trading Ltd (trading as FTX.com), West Realm Shires Services Inc (trading as FTX US) and certain other affiliated companies commenced voluntary proceedings under Chapter 11 of the United States Bankruptcy Code.

ASIC is monitoring this situation closely and speaking regularly with the external administrators and international regulators.

13/11/2022

ASIC encourages customers of FTX Australia to monitor for regular customer updates from the administrators on the KordaMentha website.

[FTX Australia may apply to the Administrative Appeals Tribunal for a review of ASIC's decision. / The administrators of FTX Australia consented to the licence suspension.]

s 22

Group Senior Manager (Market Conduct), Market Supervision

Australian Securities and Investments Commission

Level 9, 120 Collins Street, Melbourne, 3001

Tel: s 22

Mob: s 22

s 22@asic.gov.au



ASIC

From: s 22 @asic.gov.au>

Sent: Sunday, 13 November 2022 9:10 PM

To: s 22 @asic.gov.au>; s 22 @asic.gov.au>

Subject: RE: FTX Australia in external administration [SEC=OFFICIAL]

Thanks to you both – sounds good.

s 22

Senior Manager

Retail Complex Products and Investor Protection

Market Conduct, Market Supervision

Australian Securities and Investments Commission

Level 5, 100 Market Street, Sydney, 2000

Tel: s 22

Mob: s 22

s 22@asic.gov.au



ASIC

I acknowledge the traditional owners of the land on which I work, the Gadigal people of the Eora nation.

From: s 22 @asic.gov.au>

Sent: Sunday, 13 November 2022 8:57 PM

To: s 22 @asic.gov.au>; s 22 @asic.gov.au>

Subject: Re: FTX Australia in external administration [SEC=OFFICIAL]

EXTERNAL EMAIL: Do not click any links or open any attachments unless you trust the sender and know the content is safe.

Hi s 22 and s 22

I also prefer for the MR to be for after the suspension decision is made. The appointment of the administrators is already well publicised.

We will first give the administrators notice of the proposed terms and the suspension and conditions early Monday, before seeking the decision of the delegate.

I am adding some comments in the draft MR and will let you know when I'm done.

Happy to have a quick call tonight if useful.

Kind regards

s 22

From: s 22 <[REDACTED]@asic.gov.au>
Sent: Sunday, November 13, 2022 8:26:10 PM
To: s 22 <[REDACTED]@asic.gov.au>
Cc: s 22 <[REDACTED]@asic.gov.au>
Subject: Re: FTX Australia in external administration [SEC=OFFICIAL]

EXTERNAL EMAIL: Do not click any links or open any attachments unless you trust the sender and know the content is safe.

Thanks s 22 the more I've thought about it, the more I think I need to encourage s 22 to manage any commentary about crypto separately from this MR. I expect he'll want a strong message and better to not have it so directly linked to FTX and the more administrative nature of this MR. In addition to addressing how devastating losses will be for investors, we may want him to call out the opaque nature of crypto, uncertainty about valuations and intertwined nature of certain tokens, governance, financial management, importance of local custody and risk of cyber.

I think we should aim to have just the one MR so let's wait for the suspension to come through, assuming the delegate agrees


Thank you

[REDACTED]

From: s 22 <[REDACTED]@asic.gov.au>
Sent: Sunday, November 13, 2022 8:00:12 PM
To: s 22 <[REDACTED]@asic.gov.au>
Cc: s 22 <[REDACTED]@asic.gov.au>
Subject: Re: FTX Australia in external administration [SEC=OFFICIAL]

This is terrific, thanks s 22

I've created two versions which cover both scenarios (one without the suspension reference and one with) and added a short para to start our thinking on appropriate wording if s 22 decides to include a warning/reference to how risky crypto can be. If you're happy, I'll send it to s 22 to review first thing tomorrow and pass on to s 22 noting s 22 will want to see it too.

 [FTX Australia MR - external administration 20221111.docx](#)

What timing are you thinking for the publishing time for scenario 1 without the suspension reference if we don't get a suspension decision at the start of tomorrow? Say 11am if comms can make it happen?

Cheers,

[REDACTED]

s 22

FOI 211-2022

Senior Manager

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I acknowledge the traditional owners of the land on which I work, the Gadigal people of the Eora nation.

From: s 22 [@asic.gov.au](mailto:asic.gov.au)>

Sent: Sunday, November 13, 2022 10:46:40 AM

To: s 22 [@asic.gov.au](mailto:asic.gov.au)>

Cc: s 22 [@asic.gov.au](mailto:asic.gov.au)>

Subject: RE: FTX Australia in external administration [SEC=OFFICIAL]

Hi s 22

I've added some suggestions given the events over the weekend with FTX and that I'll be flying to Melb Mon morning.

From: s 22 [@asic.gov.au](mailto:asic.gov.au)>

Sent: Friday, 11 November 2022 4:19 PM

To: s 22 [@asic.gov.au](mailto:asic.gov.au)>; Media Unit <Media.Unit@asic.gov.au>

Cc: s 22 [@asic.gov.au](mailto:asic.gov.au)>; s 22 [@asic.gov.au](mailto:asic.gov.au)>; s 22

[@asic.gov.au](mailto:asic.gov.au)>

Subject: RE: FTX Australia in external administration [SEC=OFFICIAL]

Importance: High

Hi MU,

Here's the draft MR for publishing today if possible? We're keen to get the key messages out asap.

 [FTX Australia MR - external administration 20221111.docx](#)

Many thanks,

s 22

s 22

Senior Manager

Retail Complex Products and Investor Protection

Market Conduct, Market Supervision

Australian Securities and Investments Commission

Level 5, 100 Market Street, Sydney, 2000

Tel: s 22

Mob: s 22

asic.gov.au



ASIC

FOI 211-2022

I acknowledge the traditional owners of the land on which I work, the Gadigal people of the Eora nation.

From: s 22 @asic.gov.au>

Sent: Friday, 11 November 2022 12:25 PM

To: Media Unit <Media.Unit@asic.gov.au>

Cc: s 22 @asic.gov.au>; s 22 @asic.gov.au>; s 22 @asic.gov.au>
s 22 @asic.gov.au>; s 22 @asic.gov.au>

Subject: FTX Australia in external administration [SEC=OFFICIAL]

Hi Media Unit,

FTX Australia and FTX Express (the AUSTRAC registered digital currency exchange and subsidiary of FTX Australia) have been placed into external administration.

The administrator, KordaMentha, is preparing a media release and will share with us shortly. We intend to issue our own media release referring to their release and (subject to the views of the administrator) we may encourage Australian clients with open derivative positions and/or orders with FTX to close them or take steps to mitigate risk.

s 22

s 22

Senior Executive Leader - Market Supervision

Australian Securities and Investments Commission

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ASIC

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