IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
TERRAFORM LABS PTE LTD., *et al.*,[1]	)	Case No. 24-10070 (BLS)
Debtors.	)	(Jointly Administered)

PLAN ADMINISTRATOR'S SECOND STATUS UPDATE

The plan administrator (the "Plan Administrator") of the jointly-administered estates of Terraform Labs Pte. Ltd., *et al*. (collectively, the "Post-Effective Date Debtors" and, each, a "Post-Effective Date Debtor") and the Wind Down Trust (the "Wind Down Trust") hereby files this second status update (the "Status Update") on certain matters relating to the wind down contemplated by the Plan.

Introduction

1. Pursuant to the confirmed Plan, the Plan Administrator has the authority to carry out and implement all provisions of the Plan on behalf of the Post-Effective Date Debtors, including, among other things: (a) running the claims reconciliation process, including for Crypto Loss Claims and General Unsecured Claims; (b) making distributions required by the Plan; (c) maximizing the value of the assets of the Wind Down Trust and Post-Effective Date Debtors, including by bringing litigation on account of any causes of action held by the Post-Effective Date Debtors or the Wind Down Trust; and (d) reviewing and compelling the turnover of the property

[1] The Post-Effective Date Debtors in these chapter 11 cases are: Terraform Labs Pte. Ltd. and Terraform Labs Limited. The Post-Effective Date Debtors' principal offices are located at 10 Anson Road, #10-10 International Plaza, Singapore 079903. The Plan Administrator of the Debtors is Todd R. Snyder. The Plan Administrator's principal office is located at 1251 Avenue of the Americas, New York, New York 10020. Capitalized terms used but not defined shall have the meanings ascribed to them in the *Second Amended Chapter 11 Plan of Liquidation of Terraform Labs Pte. Ltd. and Terraform Labs Limited* [Docket No. 717] (the "Plan").

of the Post-Effective Date Debtors or the Wind Down Trust. Since the filing of *The Plan Administrator's First Status Update* [Docket No. 983] (the "First Status Update"), including the passage of the CLC Bar Date (as defined below) and the commencement of Initial Determination (as defined below), the Plan Administrator has materially advanced the claim reconciliation process, resolved the PYTH matter before the Honorable Karen B. Owens in this District in *In re FTX Trading Ltd.*, *et al.*, No. 22-11068, and progressed certain litigation matters.

Crypto Loss Claims

2. Following entry of the *Order (I) Setting the Bar Date for Filing Proofs of Claim on Account of Crypto Loss Claims, (II) Approving the Form and Manner for Filing Proofs of Claim, (III) Approving the Form and Manner of Notice Thereof, and (IV) Approving Related Procedures* [Docket No. 965] (the "CLC Bar Date Order"), the Plan Administrator commenced the Crypto Loss Claim process,[2] opening the Crypto Loss Claim Online Portal (the "Online Portal") for Crypto Loss Claim form submissions on March 31, 2025.[3] In order to allow claimants additional time to submit their Crypto Loss Claim forms, on April 8, 2025, the Plan Administrator filed the *Notice of Extension of Crypto Loss Claims Bar Date Until May 16, 2025* [Docket No. 986], extending the deadline to submit Crypto Loss Claim forms via the Online Portal through and including May 16, 2025, at 11:59 p.m. (prevailing Eastern Time) (the "CLC Bar Date").

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[2] Capitalized terms used but not defined in herein shall have the meanings ascribed to them in the *Motion of the Plan Administrator Seeking Entry of an Order (I) Setting the Bar Date for Filing Proofs of Claims on Account of Crypto Loss Claims, (II) Approving the Form Of and Manner For Filing Proofs of Claim, (III) Approving Form and Manner of Notice Thereof, and (IV) Approving Related Procedures* [Docket No. 904] (the "CLC Bar Date Motion").

[3] *See Notice of Anticipated Opening of the Online Portal to Submit Proofs of Claim on Account of Crypto Loss Claims on March 31, 2025* [Docket No. 967].

3. In an effort to reach as many of Terraform's creditors as possible, the Plan Administrator, in addition to the noticing procedures approved by the Bankruptcy Court, provided notice of the CLC Bar Date through social media on X (formerly, Twitter), Discord, and Telegram on March 28, 2025, posted a banner advertising the CLC Bar Date on Coindesk, and CoinTelegraph which appeared on those sites during the two months leading up to the CLC Bar Date, and posted a public Medium article on the Crypto Loss Claims process.[4] The Plan Administrator also posted periodic reminders of the upcoming CLC Bar Date through social media on April 10, 2025, April 14, 2025, April 28, 2025, and May 9, 2025. Additionally, the Plan Administrator gave specific notice by email to anyone in his books and records, including anyone who submitted any other claim including a Preliminary Crypto Loss Claim solely for purposes of voting on the Plan. Throughout the submission period, the Plan Administrator and his advisors also received and responded to thousands of inquiries from claimants regarding the Crypto Loss Claim form submission process and the CLC Procedures approved by the Court.

4. Following the CLC Bar Date, on May 16, 2025, at 11:59 p.m. (prevailing Eastern Time), the Online Portal closed for submissions. 15,980 total Crypto Loss Claim forms were submitted. Of the Crypto Loss Claim forms submitted, (i) 13,407 included only Preferred Evidence, (ii) 1,119 included only Manual Evidence, and (iii) 1,186 included both Preferred and Manual Evidence.[5] Since the CLC Bar Date, the Plan Administrator and his advisors have

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[4] *See* https://x.com/terra_money/status/1906694568848015871; https://discord.com/channels/983359798059892766/983359798361854027/1356253496151642173; https://t.me/terra_announcements/892; *see also* https://medium.com/terra-money/terraform-labs-crypto-loss-claims-portal-launch-7e85e3222db7.

[5] As defined in the CLC Bar Date Motion, "Preferred Evidence" includes claimants (a) blockchain and/or wallets addresses, for Eligible Loss Cryptocurrency held on Verifiable Blockchains, and (b) read-only API Keys, for Eligible Loss Cryptocurrency held on other platforms or exchanges; whereas "Manual Evidence" includes screenshots, excel logs, or PDFs generated by the applicable exchange showing account balances, transaction logs, and deposit logs. Following review of the Crypto Loss Claims forms submitted, the Plan Administrator

continued to work tirelessly to review each filed Crypto Loss Claim form, develop a process to notify claimants of their claim status, and respond to claimant inquiries to ensure a fair and efficient Crypto Loss Claim process. Pursuant to the CLC Bar Date Order, the Plan Administrator analyzed the Crypto Loss Claim forms submitted according to the nature of the evidence provided. Given the nature of the Terra Ecosystem, the Plan Administrator does not possess records of holders of Crypto Loss Claims, because the cryptocurrency tokens on the Terra Ecosystem were traded without creating any records of the identity of the new holders of the token. Thus, the Plan Administrator must rely solely on the information provided by claimants to verify their asserted Crypto Loss Claims.

5. The Plan Administrator and his advisors spent the twelve weeks following the CLC Bar Date reviewing Crypto Loss Claim forms. On August 14, 2025, each claimant that timely submitted a Crypto Loss Claim via the Online Portal received an email from the Plan Administrator notifying them that: (a) the Plan Administrator had made an Initial Determination, and providing such claimant with an Initial Determination Amount (a "Notification of Initial Determination"), or (b) the claimant's Initial Determination is not yet ready because the Plan Administrator is conducting an Individualized Review of their Crypto Loss Claim (a "Notification of Individualized Review"). Of the 15,980 Crypto Loss Claim forms submitted:

- 1,316 claimants received Notifications of Initial Determinations;
- 13,389 claimants received a Notification of Individualized Review;
- 1,260 Crypto Loss Claim forms were replaced by subsequently filed Crypto Loss Claims, as the CLC Bar Date Motion provided that any Crypto Loss Claim submitted

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discovered that vast majority of forms submitted with only Preferred Evidence, would ultimately require manual review or and/or additional evidence to be submitted because they were incomplete or could not be verified using only the Preferred Evidence submitted.

using multiple CLC forms will be limited to the information included in the last timely submitted CLC Form; and

- 15 Crypto Loss Claim forms have been withdrawn.

(i) Initial Determinations Provided on August 14, 2025

6. Claimants who received their Initial Determination on August 14, 2025, were provided until September 15, 2025—thirty (30) days after the date the Plan Administrator communicated their Initial Determination—to notify the Plan Administrator if they intended to dispute their Crypto Loss Amount. Pursuant to the CLC Bar Date Order, claimants that did not accept or dispute their Initial Determination by this date were deemed to have accepted their Initial Determination, and such Initial Determination was also deemed their Final Determination. On September 2, 2025, the Plan Administrator sent a reminder email to claimants that received an Initial Determination on August 14, 2025, but had not yet logged into the Online Portal to review their Crypto Loss Claim status.

7. As of the September 15, 2025, the deadline to accept or dispute an Initial Determination provided on August 14, 2025, a total 1,174 of the Crypto Loss Claims that received an Initial Determination have now become Allowed Crypto Loss Claims. 88 claimants timely disputed their Initial Determination. Pursuant to the CLC Bar Date Order, such claimants that disputed their Initial Determination will have until October 15, 2025, to submit additional evidence in support of their asserted Crypto Loss Claim Amount for the Plan Administrator to consider before a Final Determination is provided. Such claimants will also have ninety (90) days from receiving their Final Determination to file an objection with the Court.

(ii) Claims Subject to Individualized Review as of August 14, 2025

8. Although the vast majority of claimants submitted Crypto Loss Claim forms that were supported with Preferred Evidence, the Plan Administrator determined that approximately

13,387 Crypto Loss Claims required Individualized Review because of the nature and complexities of the wallets and/or transactions underlying the Crypto Loss Claim or because information is missing from the submitted Crypto Loss Claim form.

9. Following the CLC Bar Date, the Plan Administrator identified 1,868 Crypto Loss Claims which required additional information for the Plan Administrator to even begin to review the applicable claims. On August 14, 2025, the Plan Administrator notified each of these claimants via email and through the Online Portal of the information the Plan Administrator needed to properly evaluate their Crypto Loss Claim and provided instructions on how to access the information required from the applicable cryptocurrency trading platform. Claimants were provided thirty (30) days—until September 15, 2025, at 11:59 p.m. (prevailing Eastern Time)—to upload additional information in support of their Crypto Loss Claim. The Plan Administrator and his advisors are currently reviewing the additional information submitted and will provide claimants an Initial Determination in an upcoming Individualized Review Tranche as discussed below.

(iii) Initial Determinations Provided on September 15, 2025

10. The Plan Administrator is actively reviewing the Crypto Loss Claims placed under Individualized Review and intends to provide Initial Determinations throughout the rest of 2025 and into early 2026 if necessary. To ensure efficient and timely administration of the Crypto Loss Claims process, the Plan Administrator intends to provide Initial Determination for Crypto Loss Claims under Individualized Review in tranches on or about every thirty (30) days (each, an "Individualized Review Tranche").

11. Accordingly, on September 15, 2025, the Plan Administrator notified 1,334 claimants whose Crypto Loss Claims underwent Individualized Review of their Initial

Determinations (collectively, such claimants making up "Individualized Review Tranche A"). Claimants in Individualized Review Tranche A will have thirty (30) days—until October 15, 2025, at 11:59 p.m. (prevailing Eastern Time)—to dispute their Initial Determination in the Online Portal.

(iv) Future Tranches of Individualized Review

12. The Plan Administrator intends to continue providing Initial Determinations on account of Crypto Loss Claims subject to Individualized Review approximately every thirty (30) days with another subset of claimants expected to receive their Initial Determinations on or about October 15, 2025 (collectively, such claimants making up "Individualized Review Tranche B"). Simultaneously, the Plan Administrator, along with his advisors, will also be reviewing additional evidence submitted and responding to formal and informal disputes of claimants' Crypto Loss Claims.

13. In addition, the Plan Administrator is developing the distribution process to ensure that Crypto Loss Claimants' recoveries and personal information are secure and that distributions are made efficiently. Specifically, the Plan Administrator is accounting for constraints associated with the jurisdictions Crypto Loss Claimants reside in and the size and the amount of distributions to be made to develop a distribution process that is appropriately tailored to Terraform's creditor body. The Plan Administrator will keep Crypto Loss Claimants and the Bankruptcy Court informed as the distribution process is finalized to allow ample time for Crypto Loss Claimants to prepare to receive their distributions.

PYTH

14. As described in more detail in the First Status Update, in late 2024, the Plan Administrator discovered that Pyth Data Association ("PDA") had been withholding 500 million of Do Hyeong Kwon's (the Post-Effective Date Debtors' founder and former Chief Executive

Officer) PYTH Tokens, which pursuant to the terms of certain SEC Settlements, were to eventually be returned to the Plan Administrator to be distributed to the Crypto Loss Claimants in accordance with the Plan.

15. On April 17, 2025, counsel for the Plan Administrator attend a hearing in the FTX case before the Honorable Judge Owens regarding the *Terraform Plan Administrator's Joinder to Do Hyeong Kwon's Motion to Enforce Order Granting Motion of Pyth Data Association for Relief from the Automatic Stay* [FTX Docket No. 29808]. On May 2, 2025, Judge Owens entered the O*rder Granting Do Kwon's Motion to Enforce Order Granting Motion of Pyth Data Association for Relief from the Automatic Stay* [FTX Docket No. 30358] directing PDA to return Mr. Kwon's tokens to the Plan Administrator. In May 2025, the Plan Administrator received the 500 million PYTH Tokens, and intends to mandate that the proceeds, like other assets of the estate, are ultimately distributed to the Crypto Loss Claimants.

Beltran

16. Prior to the filing of these chapter 11 cases, certain plaintiffs (the "Representative Claimants") brought a representative action against Terraform in the courts of the Republic of Singapore (the "Beltran Action"), and, in connection with that case—and likewise before these chapter 11 cases were filed—approximately $56.9 million was deposited by Terraform with the court in the Republic of Singapore as security against a possible future judgment (the "Beltran Escrow Deposit"). As part of the Plan, claims related to the Beltran Action were placed into their own class, and the Plan provided that the holders of allowed Beltran Secured Claims would receive payment on account of their claims out of the Beltran Escrow Deposit if such payments were authorized by the rulings of the court in the Republic of Singapore.

17. Trial on the first tranche of claims in the Beltran Action, which first tranche covered the claims of ten Representative Claimants, occurred in the International Commercial Court of

Singapore (the "Singapore Court") between May 13, 2025, and May 30, 2025. Prior to trial, the Singapore Court ruled that this first trial would cover matters that were common to all claimants, as well as any individualized issues for the claims of the ten Representative Claimants.

18. The Plan Administrator expended substantial resources in preparing for the first phase of trial. During the trial, Terraform—acting at the direction of the Plan Administrator—argued that the Representative Claimants could not succeed on their claims for a variety of reasons, including that their claimed damages were significantly overstated, they had not actually relied on the misstatements they identified, they had not provided sufficient evidence of their claimed damages, and they had not taken appropriate steps to mitigate any claimed damages.

19. On July 7, 2025, the Singapore Court issued its judgment following the first phase of the trial (the "Singapore Judgment"). That judgment substantially reduced the damages claimed by the Representative Claimants. Specifically, the Representative Claimants had, in total, sought approximately $5.8 million in damages. The Singapore Court's judgment granted them approximately $451,000 in damages. The Representative Claimants have appealed certain portions of the Singapore Judgment.

20. The Plan Administrator has worked closely with his U.S. and Singapore counsel in determining the proper steps to take in light of the Singapore Judgement. Since entry of the Singapore Judgment, Terraform has filed an application in the Singapore Court to reduce the amount of the Beltran Escrow Deposit. Amounts returned from the Beltran Escrow Deposit would then become general estate property, which would be made available for the benefit of all Crypto Loss Claimants rather than being available only to the preferred subset of Beltran Claimants. Based on the Plan Administrator's analysis, if the Singapore Court were to apply the same reasoning it used in reducing the claims of the Representative Claimants to the remaining

claimants, (such claimants, the "Represented Claimants"), the maximum amount of damages the claimants could receive in total is approximately $12 million. The Plan Administrator is therefore seeking the release of approximately $44 million of the Beltran Escrow Deposit (leaving approximately $12 million). A hearing on the Plan Administrator's application for the return of this portion of the Beltran Escrow Deposit is set for September 23, 2025 before the Singapore Court.

21. The Plan Administrator and his advisors are also continuing to prepare for the subsequent trial (or trials) on the individual claims of the approximately 350 whose claims still need to be adjudicated. The trial on the claims for the remaining Represented Claimants are tentatively set for dates in February, March, and April of 2026.

Affirmative Litigation

22. The Plan Administrator and his advisors are in the process of assessing potential claims against persons and entities who unfairly or illegally enriched themselves in connection with the collapse of the Terra ecosystem to the detriment of creditors. In the coming months, the Plan Administrator anticipates filing lawsuits against these persons and entities, and any proceeds from such litigation will ultimately become available for distribution to creditors.

Dentons

23. On July 24, 2025, the Plan Administrator filed the *Plan Administrator's Motion for Entry of an Order Authorizing Discovery from Dentons US LLP Pursuant to 11 U.S.C. § 542(e), Fed. R. Bankr. P. 2004, and Local Rule 2004-1* [Docket No. 1032] (the "Rule 2004 Motion"). The Rule 2004 Motion is part of the Plan Administrator's ongoing investigation into potential claims regarding Terraform. Following the filing of the Rule 2004 Motion, the Plan Administrator and Dentons US LLP agreed on a document production protocol, and accordingly, agreed to postpone the hearing on the Rule 2004 Motion. Additionally, the hearing on the *Ninth Monthly, Third*

Interim, and Final Fee Application of Dentons US LLP, Special Counsel to Debtors, for (A) Allowance of Compensation for Services Rendered and Reimbursement of Expenses Incurred from October 1, 2024 Through and Including October 1, 2024; (B) Interim Allowance of Compensation for Services Rendered and Reimbursement of Expenses Incurred from July 1, 2024 Through and Including October 1, 2024; and (C) Final Allowance of Compensation and Reimbursement of Expenses for the Period from January 21, 2024 Through and Including October 1, 2024 [Docket No. 859] has been adjourned while the Plan Administrator continues his investigation. *See Notice of Further Adjournment of Hearing Regarding Final Application of Dentons US LLP, Special Counsel to the Debtors for Final Allowance of Compensation and Reimbursement of Expenses for the Periods from January 21, 2024 Through and Including October 1, 2024* [Docket No. 974].

Phishing Attempts

24. Occasionally, creditors have reported that they have received emails and other communications purporting to be from the Plan Administrator and his advisors, but which are actually phishing scams or similar illegitimate communications. On April 9, 2025, the Plan Administrator filed the *Notice of Phishing Attempt* [Docket No. 989] to caution creditors not to engage with a phishing attempt that had been alerted to the Plan Administrator. To the extent the Plan Administrator learns of any future phishing attempts, subsequent notices will be filed on the docket to notify creditors. For the avoidance of doubt, neither the Plan Administrator nor his advisors will ever contact creditors by telephone call, social media, or text message to request account information or other personal information absent (a) order by the Bankruptcy Court or (b) on-the-record instruction from the Bankruptcy Court. In addition, the Plan Administrator and his advisors will request all documentation to be uploaded through the Online Portal.

25. The Plan Administrator encourages creditors to confirm that any email they receive is legitimate by reviewing the sender's email address. The Plan Administrator and his advisors will only contact creditors from the following email addresses: (a) donotreply@ra.kroll.com; (b) Terraforminfo@ra.kroll.com; (c) claims@terra.money; and (d) TerraAnswers@kirkland.com. Additionally, the only website domain to access the Online Portal is: https://claims.terra.money/. Prior to responding or engaging with (including clicking links contained within) any email, text message, or other means of communication purporting to be from the Plan Administrator or his advisors, creditors should confirm that the email domain and website are from one of the above senders. To the extent creditors have any doubt or suspicions regarding the validity of an email domain, please review the Claim Dashboard in the Online Portal or contact the Plan Administrator's noticing and claims agent by emailing Terraforminfo@ra.kroll.com. ***Creditors should not click any links or respond to any such emails until the Plan Administrator or his advisors have confirmed whether it is a legitimate communication regarding these chapter 11 cases***.

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Dated: September 21, 2025
Wilmington, Delaware

/s/ Zachary I. Shapiro

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