UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA

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In Re:	) Case No. 1:24-bk-10646-MB
	)
SYNAPSE FINANCIAL TECHNOLOGIES, INC.,	) Chapter 11
	)
	) Woodland Hills, California
Debtor.	) Friday, February 7, 2025
______________________________	) 10:00 a.m.

DEBTOR'S EMERGENCY MOTION FOR ENTRY OF AN ORDER:
(I) AUTHORIZING THE CONTINUED USE OF ITS CASH MANAGEMENT SYSTEM;
(II) AUTHORIZING THE MAINTENANCE OF CERTAIN PRE-PETITION BANK ACCOUNTS; AND
(III) AUTHORIZING BANKS TO RELEASE ADMINISTRATIVE HOLDS AND/OR FREEZES ON THE DEBTOR'S PRE-PETITION ACCOUNTS

CHAPTER 11 STATUS CONFERENCE

TRANSCRIPT OF PROCEEDINGS
BEFORE THE HONORABLE MARTIN BARASH
UNITED STATES BANKRUPTCY JUDGE

APPEARANCES:

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Proceedings recorded by electronic sound recording; transcript produced by transcription service.

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WOODLAND HILLS CALIFORNIA FRIDAY FEBRUARY 7, 2025 10:00 AM

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(Call to order of the Court.)

THE CLERK: Please come to order. This Court is now in session. The Honorable Martin R. Barash, presiding.

THE COURT: All right. Good morning, everyone. Today is February 7th, 2025, and this is a specially set hearing in the Synapse matter. This is our status conference -- excuse me.

A couple reminders. First of all, any recording of the proceedings by anyone other than the courtroom deputy is strictly prohibited, including any sort of screen shots.

Also, we've dispensed with the custom of inviting people to state their appearances. When you registered for the Zoom, you registered your appearance. But I do remind you that if you do speak, each time you speak after another speaker, please say your name. We're making an audio recording, and if somebody orders a transcription, it helps for you to re-introduce yourself each time.

All right. We're going to start with Ms. McWilliams and get the report of the Trustee.

MS. MCWILLIAMS (via Zoom): Thank you, your Honor. And this is our 15th status conference report. Since my last status report partner banks have continued to make distributions to end users. It is my understanding that partner banks have paid out the vast majority of the $219,000,000 reported to be held for end users as of May of 2024.

Many end users still have not received their expected amount of funds, which is due to an apparent shortfall in accounts that existed prior to Synapse's bankruptcy. There continue to many difficulties in accurately accounting for money movement. And so the exact sources and amount of the shortfall have not been clearly established.

I'm aware that parties-in-interest have already sought or make look to seek other paths to recovery outside of the voluntary reconciliation activities undertaken during this case, such as to regulatory enforcement actions or civil litigation.

I've been working with a third-party ledgering software company which offered their pro bono services to conduct limited reconciliation. This work is in progress, but due to the size and complexity of the Synapse data, I believe that a meaningful reconciliation would require additional time, effort and expense.

I am aware of the importance of preserving the estate's data and records, and my team has been making extensive efforts to save additional data copies, work with vendors to preserve records in cold storage, and share additional data with parties-in-interest, such additional trial balance records recently requested by the partner banks (sic).

I have explored many options to sell or grant custody of the Synapse data to federal and state regulatory bodies and qualified private parties. But given the expense and complicated responsibilities of data maintenance, no entity has agreed to take over the estate's data so far.

My team and I are continuing to explore the potential sale of certain Synapse assets. At this time the purchase price offered -- the prices offered, there was more than one, but none of them have been good, Judge. They have not been high enough to justify the expense to the estate in pursuing the sale.

We are also engaged in conversations with the secured creditors regarding a possible deal to bring value to the estate, in light of the significant amount of secured debt and lack of estate resources.

In the event that all options for generating further value to the estate have been exhausted, I expect to explore filing a motion to dismiss or convert this case to Chapter 7 bankruptcy, your Honor. And with regard to our next status report, given where we are, given the -- I would say, snail pace of progress at this point, I respectfully propose, subject to the preference of the Court, to submit my next status report in approximately two months during the week of April 7th of this year. Thank you, your Honor.

THE COURT: All right. Thank you, Ms. McWilliams.

First, I'm just going to ask if there -- counsel to any parties in the case that want to be heard before I open it up to many individuals who have joined us?

MR. CLEMENTSON (via Zoom): Just briefly, your Honor, for the U.S. Trustee.

THE COURT: Thank you. Remember to re-introduce --

MR. CLEMENTSON: Russell --

THE COURT: Yeah. Go ahead.

MR. CLEMENTSON: -- Russell Clementson for the U.S. Trustee. I just want to let the Court know, yes, Ms. McWilliams and her team have kept us abreast of their efforts. We're aware of where they're at now. And so we're prepared to act on whatever order the Court makes, if that's what happens down the road.

THE COURT: Okay. Now I have to say, obviously there's so much about this case that has been troubling. But it feels like we're getting to the, kind of to the end of the road of what -- or close, to what the Trustee feels that she can achieve. And as we get to that point, boy, I think the biggest thing that jumps out at me is the problem of preserving the data beyond the case.

And I don't know, Mr. Clementson, that your office necessarily has any special powers or access to folks within the executive that Ms. McWilliams doesn't. But that to me would just be insult to injury if after all this, the data on which parties in subsequent litigation outside this court would need, were to somehow disappear because there was -- no one stepped up to preserve it.

And it might be -- you know, it's the sort of thing, again, I guess, I would expect some agency of the United States Government, under these very unusual circumstances might do. So, I'm just -- I'm just musing out loud. I think that makes me -- you know, I preside cases in which at the end of the day, there is no value. That is not new in bankruptcy.

What is so different about this case is that so many people have suffered. They don't have recourse here because the estate has no fund. And on top of it, the very data that they would need to demonstrate in some other court that someone else is responsible for their loss, might itself be lost. I appreciate that the Trustee's focused on trying to solve that problem.

And I just make an appeal to you, Mr. Clementson, to raise the issue, if you haven't already, within your office and above, with the Department of Justice, just, you know, to see if there's anything with the vast resources of the United States Government that could be done to preserve that data.

I would feel better knowing that not only has the Trustee been beating the bushes, but that the United States Trustee has in some way done so, also.

MR. CLEMENTSON: We absolutely will, your Honor. We appreciate the Court's concerns. We share them. It's both an economic problem and a practical problem with what to do with the data once administration can't go any further in the bankruptcy court.

THE COURT: Yeah. Yeah. And again, just another reminder. For all the good that we frequently do here, there are limitations to what our bankruptcy system is able to do.

All right. Any other counsel that would like to be heard, and then I'll open it up to the many individuals that have joined us.

Okay. All right. Ms. Caliguire.

MS. CALIGUIRE (via Zoom): Well, good morning, good afternoon. And thank you again to the courts and Ms. McWilliams for all your support and just follow-up with everything. We really just want to say how much we appreciate you. I have a few questions from the boards that I was hoping to talk through.

At the last hearing you mentioned a possibility of a letter that we could use, potentially for tax purposes or explain situations that -- whether it's housing or rentals or savings, or whatever it might be. Kind of first of all, we just wanted to see if there's update on that, and we really appreciate you offering to do that. And just want to say again that that -- we know you didn't have to offer to do that, and that's been really helpful.

MS. MCWILLIAMS: Yeah. Thank you, Ms. Caliguire.

This is the Trustee, your Honor.

So, we have prepared a letter to send to the I.R.S. It basically just seeks guidance and sheds public lights to this set of circumstances. We are going to send a letter this coming week. We're just trying to figure out who the right person at the I.R.S. is to send the letter to.

Likewise, we have prepared subsequent letters to send to -- the second set of letters to send to the regulatory agencies, the Fed, the OCC and the FDIC. But up until a few days ago, we didn't know who was going to be an acting person for the -- for the new administration's leadership in these agencies.

And so we're just waiting to -- on clarification who is going to be an acting person to run acting control of the currency for the OCC. It's still the same leadership at the Fed, but the FDIC leadership is in the process of changing, and the OCC leadership is in the process of changing. So we will do that.

We have also talked to the CFPB to see if there is anything they can do, given the limited ability to regulate these banks because they are under $10,000,000,000 in assets. And as we said in one of the prior hearings, the Dodd-Frank jurisdiction does not extend to banks below 10,000,000,000 for an agency like the CFPB. But if there is anything for them to explore, we're more than willing to work with them.

So all of that is in the process, we're just waiting to figure out whom to send the letters to this coming week.

MS. CALIGUIRE: Thank you. We appreciate that. Yeah. And that was kind of a secondly question we had around tax advice. So in the last hearing, last couple of hearings, folks have asked about I.R.S. deductions and things of that nature. And we been advised to seek counsel or to go to tax professionals. And the collective feedback has been that they've all said this is such a unique situation they can't advise, and they -- or they send us back to you.

So, that's more of a statement that we're just -- we wanted to provide that some of us have explored those different options, and they've kind of said, this is, you know, this is -- they don't know how to navigate this either. So they would look to you for advice on how they should.

MS. MCWILLIAMS: Well, I am definitely not the right person, Ms. Caliguire, but I -- offering tax advice. I use Turbo Tax up until two years ago.

MS. CALIGUIRE: Okay.

MS. MCWILLIAMS: So that's not going to be very helpful. But hopefully the I.R.S. will issue guidance or some kind of a statement once they receive our letter next week. And so, hopefully, that leads the I.R.S. to at least give you something that you can take to your tax professionals, and/or, you know, know what to do on your own if you're filing by yourself.

MS. CALIGUIRE: I appreciate that. We all want to give the feedback, that's what we have been encountering, just so you know.

The other question we had was, can someone please ask about getting the transaction information from Lineage? According to the transaction data, we've all -- many of us had ACH deposits submitted after November that were not process through Evolve. If Lineage had processed those deposits, they should have records of that. And they've tried to, I guess, e-mail and get a response. That was a question from somebody would couldn't attend today.

MS. MCWILLIAMS: Your Honor, I think -- this is the Trustee. I think that's the appropriate question for Lineage, not for --

THE COURT: Yeah. Mr. Glenos.

MR. GLENOS (via Zoom): Your Honor, Chris Glenos of Bradley, Arant, Boult, Cummings, counsel for Lineage.

Your Honor, we have shared -- Lineage has shared information with the partner banks and the Trustee, so information is getting shared through that mechanism. To the extent requests have been made through our support portal, it's my understanding Lineage has responded to those as well, or is -- has them in the queue to do so. So, you know, I'm happy to follow-up with the client to make sure that they are monitoring those -- those inquires.

MS. CALIGUIRE: Is there somewhere that they could -- I could advise them to reach out to get follow-up? It sounds like they've kind of hit a wall. Is there -- could they reach out to you? Should they reach out to a specific party?

MR. GLENOS: Well, I wouldn't have the answers, but there is a -- an address on Lineage's website. I believe it's Fintechsupport@lineage.com.

MS. CALIGUIRE: Okay.

THE COURT: Okay.

MS. CALIGUIRE: Thank you

THE COURT: Ms. Caliguire? Okay.

Mr. Gonzales.

MS. CALIGUIRE: So --

THE COURT: Yeah. No, I'm sorry. Were you done, Ms. Caliguire? Okay. All right. Good.

Mr. Gonzalez, welcome back.

MR. GONZALEZ (via Zoom): Thank you. Jordon Gonzalez, impacted end user from Yotta. Regarding the retention of the data, there was news about an investigation into Synapse being opened I guess by New York office of the DOJ. I'm just curious if there's any options of the data being prepared -- or being preserved through that. Thank you.

MS. MCWILLIAMS: Your Honor, this is the Trustee.

We are not aware. I would suspect, given how the -- these investigations go, that they would have an interest in preserving the data, and we certainly will make that available. But so far we haven't been successful with getting anybody interested. And I've reached out to some state commissioners as well. The problem is, it's an inordinate amount of data and the monthly cost is such that a lot of the state agencies don't have the budget for it.

THE COURT: Okay. I assume, Ms. McWilliams, this is more than fits on a couple of hard drives?

MS. MCWILLIAMS: Your Honor, I wish it fit on a couple of hard drives. It would be in my office right now on my desk, but it's not -- it's a lot of data. And maybe, Grace, can you maybe share how much data it is with the people now?

MS. MOONEY (via Zoom): Yes. This is Grace Mooney from Cravath on behalf of the Trustee. All tolled, it's about 100 terabytes, a pedabyte of data. And an added complication is that several of those sources are sort of delicately constructed, and so the preservation, both process and then format of that preservation, needs to be somewhat specialized, which is why it's a collaborative effort with the vendors.

If we were to sort of just download it and put it on a hard drive, we would pretty invariably break it. And so, the expense of having to move things to cold storage in a way that maintains their ability to be used in the future is a delicate process. And the format that it has to stay on, even when it has been condensed and those expenses are decreased. We, unfortunately, are still looking at probably several tens of thousands of dollars per month.

THE COURT: Okay.

MS. MCWILLIAMS: And maybe if you can address so those people understand the cost involved. How much has it cost to have it in various clouds?

MS. MOONEY: Correct. Right now, the data costs are around $300,000 a month. And so we're looking at condensing and moving cold storage copies to places that would bring costs down between 45- and $65,000 a month. And right now, yeah, the bill is -- the bill is about $300,000 a month for all of our data providers together in a cloud storage.

THE COURT: Okay. Thank you. I appreciate that.

All right. Apologies if I mispronouncing. Ms. Petcu?

MS. PETCU (via Zoom): Good morning, your Honor. Thank you. So what I wanted to talk about is the fact that our funds were always electronically transferred. So I have been in correspondence with Evolve, and they told me that my funds were transferred to Synapse Brokerage. And then I asked them, well, Synapse Brokerage is not a bank, what bank did you transfer the funds to, which are my funds? They said AMG. And they said they couldn't provide me with an account number for AMG because apparently the funds were commingled and transferred.

But my question is, why can't we track the funds being -- there should be a paper trail. All of these transfers are electronic transfers. There should be a paper trail for where our funds went. So I don't understand how our funds can just be lost, how we cannot track them, because everything happens electronically. This is number one.

Number two is, you know, I'm a tax paying citizen. I pay taxes so I can support all these regulatory agencies. I support the justice system in the U.S. to -- so I can sleep at night peacefully knowing my funds are protected.

So my question would be, who do we turn to to take action for us and get us our funds back? I simply don't accept the fact that our funds are lost, right, because then what's the message that we are sending? Are we sending the message that anyone in the U.S. can start a fintech company, steal people's money, declare bankruptcy and get away with it? Like I don't think that's a fair thing to ask of us to just accept that, right?

We invested in an FDIC insured savings account, right? It's FDIC insured. So I sleep peacefully at night knowing my money's insured. I pay taxes so that, you know, the Government protects me. So, who do we turn to? That's my question. Because we hear a lot of -- we hear about a lot of other things that cannot be done. What can be done? Who do we turn to? You know, we're willing to put in the work to get our funds back, but who do we turn to? What regulatory agency is taking care of us? What -- who in the justice system is going to take care of us when we need it?

THE COURT: Thank you.

MS. MCWILLIAMS: Your Honor --

THE COURT: I'm going to lean on you, Ms.

McWilliams.

MS. MCWILLIAMS: Thank you, your Honor. I was going to offer. Maybe I can shed a little bit of light on some of these questions from -- is it Petcu or Petcu?

MS. PETCU: It's "Petcu." Petcu. Thank you.

MS. MCWILLIAMS: Petcu. Hi. So, a couple of things. On the first question you had about, you know, being able to trace the flow of funds. In general, yes, you should be able to electronically trace the flow of funds. Where the issues came up with Synapse is how these transactions were structured. Meaning that effectively your funds were commingled with, you say, Ms. Caliguire's funds, in a for the benefit of account, then they were sent to one bank. One bank sent them to another bank. And so it's -- I recognize why it's difficult for banks to trace your particular funds or any individual user's funds. And then it really didn't help that some were transferred to Synapse, some were transferred Synapse Brokerage. So that's the issue.

You -- we still should be able to track all of those funds and the transactions if we could have the funds and the means to basically extract data and analyze data an do individual reconciliations from the Synapse data set, then compare that data with that of the banks, and then be able to kind of have a comprehensive, edited reconciliation.

And that has been at the crux of this hearing for that the last few -- few months. We really have not been able to do that because we don't have the resources. But theoretically speaking, there -- all it should be traceable.

And then to your second question about the government agencies. On a side note, the federal regulatory agencies are self-funded. The Fed, OCC and the FDIC are self-funded. They're funded through the fees and other revenues that they collect. So -- but, you know, I'm not sure how DOJ is funded and all of that, but as a taxpayer, I am as offended as you are that basically nobody's stepping in to truly protect the consumers here.

Here's what I will say, and I don't want to give false hope of -- you know, sense of hope to anyone. But even if there are criminal and other investigations into this matter, those agencies, whether, you know, affiliated with DOJ, U.S. Attorney's Office, et cetera, or the regulatory agencies enforcement actions, et cetera, they're not going to talk about it until they're done.

So we don't know at this point in time if there is an effort by the Government to do something more above and beyond what has been done. So I wouldn't give up on that, but, again, we go back to the question we had at the beginning of the hearing, which is, any and all of those will need data preserved. And so, really, at this point where we are in the -- in this life cycle of Synapse bankruptcy, the data preservation is going to be the most pivotal thing to help you regain your funds at some point in time.

MS. PETCU: So I appreciate your answer. To me, commingling funds and sending them from bank to bank, it sounds like -- you know, I'm not expert, but I work in financial services as well. It sounds a little like money laundering to me, right? Because you're trying to cover the source of funds then by -- so, this sounds to me like financial fraud.

Is -- who's going to go to jail for it is -- that's my other question, right, because this is unacceptable. Like our funds basically right now, they're technically stolen, right, because I cannot access my funds. I don't know where they are. No one's telling me where they are.

So, I think we need to get justice done in this case, right? Like we cannot just allow people to just steal funds, because then you're setting a precedent for anyone to steal people's funds, and they can get away with it because we have no regulatory agencies that has the funds to protect us, right? So this is a major issue to me.

MS. MCWILLIAMS: And, your Honor, maybe I can just address the issue of fraud. So putting money in for-the-benefit-of account is not fraud, at least not unless they commit fraud in addition to putting all the funds for the benefit of.

Whether or not fraud was committed is something that's above and beyond the Trustee's capabilities of -- detecting again for that, we would have to be able to do a full data reconciliation and compare notes with the banks, and then understand whether or not somebody took the money along the way.

Something happened. The money didn't disappear and either money is someplace. The question is just how can we get to the bottom of this? And I hear you on the concerns about fraud, et cetera. I mean that would have been left to the law enforcement to figure out. We simply do not have the power or -- through this process to do so. And I'm --

MS. PETCU: So should I file -- who should I -- should I file the report with the police? Is the police going to help me? Like I can just say, well, I put money and my money's gone. It's basically stolen. Do I file a report for theft? Like what should I do, like that's my question. I don't -- I just want some actionable item.

MS. MCWILLIAMS: And, your Honor, this is the Trustee.

Again, I will say that I cannot give you legal advice what to do, but if I were in your shoes, what I would do at the very least, I would contact the State Attorney General's offices and see. And then you can also contact the district attorney offices affiliated with the Department of Justice.

MS. PETCU: Okay. State Attorney General, district attorney. All right. Thank you so much.

MS. MCWILLIAMS: Thank you.

THE COURT: Thank you.

Joshua Nelson (phonetic).

MR. NELSON (via Zoom): Thanks, your Honor. Joshua Nelson, impacted end user with Yotta.

My question is for Adam Moelis, who I see is on the call. I'm curious what he and Yotta are doing to help out in this situation, what they're doing behind the scenes. If there's any, you know, actions that you're taking to help impacted end users like myself.

THE COURT: All right. Thank you.

Go ahead, Mr. Gottfried.

MR. MOELIS (via Zoom): I'm going to --

MR. GOTTFRIED (via Zoom): Thank you, your Honor. It's Michael Gottfried with Elkins Kalt on behalf of Yotta.

And, Mr. Nelson, I'm going to answer for Mr. Moelis since I'm counsel for Yotta. Yotta has been talking to people, other fintechs and forensic people, about what it would cost to do the reconciliation, and whether or not Yotta could be part of a group, potentially, to fund that reconciliation.

The problem that we have before we even get to, you know, who would be part of that group and whether or not it would be feasible, is that we have talked to AlixPartners. And according AlixPartners, the only way that this could happen is with Evolve's cooperation. And without that, they seem to think it's a non-starter.

And so we're dealing with the issue of, while there's litigation with Evolve, whether or not Evolve would cooperate in that. So we are trying to do things. We are -- when I say, "we," my client, Yotta, is trying to see what it could do to help out with the reconciliation effort, and it will continue to explore those issues.

MR. NELSON: Okay. So just so I'm hearing you correctly. You're saying that your client is willing to help pay for that reconciliation if other partner banks, like Evolve, were to, you know, pay for it as well? Like to, you know --

MR. GOTTFRIED: Again, you know, I can't be too specific about what Yotta would be willing to do and under what circumstances. They're exploring all this right now. But they have explored with AlixPartners to see if there's a group that's willing to get together to fund the reconciliation, what it would cost and what would have to happen. That's the first thing that they need to sort of figure out.

If they get anyplace with that, according to AlixPartners, there would need to be some cooperation with Evolve Bank. And I'm not sure that the cooperation means money or cooperation with respect to the records and what they've done to date. But that's something would need to happen.

And now there's the exploration of whether or not Evolve would in fact be willing to cooperate in whatever ways are necessary. And then my client would explore further about costs, if there's a group that they could join with to help on that front.

MR. NELSON: Sure. That makes sense. And in regards to preserving the data, since that's obviously a big part of it, and that -- nothing can happen without that. Are you knowing if your client would be willing to help fund that preservation of that data?

MR. GOTTFRIED: Well, offhand, I don't know, but again, to the extent that there could be some kind of cooperation among the fintechs and some kind of cooperation with respect to funding it as a group, they would likely be interested in being part of that. So, they will be exploring those issues.

MR. NELSON: Sure. Appreciate -- appreciate you answers.

So then a follow-up question would be with Evolve. given what you've just heard, if Yotta were to be willing to spearhead, you know, funding the preservation of data, as well as paying for the reconciliation, whether it be by themself or with a group, would Evolve be willing to cooperate in that manner?

MR. SWAMINATHAN (via Zoom): Your Honor, Aravid Swaminathan.

I'm happy to talk to Mr. Gottfried about that.

THE COURT: Okay.

MR. GOTTFRIED: Okay. I appreciate that.

MR. NELSON: Thanks, guys.

THE COURT: All right. Thank you, Mr. Nelson.

Anthony Serino.

MR. SERINO (via Zoom): Thank you, your Honor. Anthony Serino, impacted end user. My questions are primarily to Ms. McWilliams, and thank you.

So it has somewhat recently come to light that there are Synapse Brokerage statements that exist, that previously were not provided to end users. These statements in particular provide some pretty critical information. And for those who may not have seen them, they do provide summaries such as, what is your deposit account balance.

For many users, that's likely your Evolve balance. Your brokerage account balance, and a sweep account balance. And I was able to obtain them through Juno, just submitting a request through Juno.

And I'm of the opinion that you should have been provided these all throughout the course of our transactions without -- with the fintechs. But for whatever reason, we were not. And then we're blind to these even being in existence, despite language in the deposit agreements that we should have been provided with them. That's neither here nor there at this point.

But my question is, in obtaining those statements, the breakout of where our funds were held, in a deposit brokerage or sweep, stops in March of 2024. In your visibility into the Synapse database and Synapse Brokerage, have you come across any rationale for, you know, why that level of detail stops, or in any of your conversations with the former CEO, did he provide guidance as to why those statements stop at that point?

You know, is there an ability to produce those statements off the data that exists, or the Synapse systems that, you know, maybe they could flip the switch back on and produce those statements that would provide that detail. You know, it shows exactly what we need, you know, where your funds are held. If they're in that sweep account, it shows them going to into the ADMC system. You know, in my example, Webster Bank, but then I don't have any visibility into that after March 1st.

MS. MCWILLIAMS: Yeah. Your Honor -- and thank -- your Honor, this is the Trustee.

Mr. Serino, thank you for that question. It's a very good question. We don't have any visibility as to why they stopped. We are unable to extract the data ourselves, and we have not been informed as to when the accounting on Synapse's end would have ceased, if it did, in terms of their reporting and providing the statements to the end users. So, I'm sorry that's the case, but we just simply do not have the capabilities to do so, and we are not aware as to why it stopped.

MR. SERINO: Okay. (Indiscernible), if you're out there, any comment?

Or if there is any conversation with the former CEO in the future, could that question be asked? You know, it seems like that's exactly what we need is that data. It's frustrating, intense.

MS. MCWILLIAMS: Your Honor, this is the Trustee.

We can certainly ask, and we'll report what we hear.

MR. SERINO: Thank you. Appreciate that. and then secondary question. Again, in your visibility into the

Synapse records, is there anything in your data that would show the sum of balances at Evolve as of the start of their reconciliation? So, you know, starting October 2024, is there anything in your data that would show the sum of what Synapse knew to be the balances at Evolve?

And I'm asking because I'm trying to understand if what Synapse knew as the balance at Evolve equaled to what Evolve knew to be at Evolve. Because my opinion, the root of the problem is that there was a shortfall at Evolve before the reconciliation began. If that's the case, then we're never going to get to the bottom of it off of Evolve's reconciliation if there was a preexisting shortfall there due to things such as expenses being debited from the FBO account, or if there's any truth to the Mercury migration rumors, et cetera.

MS. MCWILLIAMS: Your Honor, this is the Trustee.

Mr. Serino, we unfortunately are unable to analyze the data in any significant way that would be helpful. And it's -- I know it's incredibly frustrating, but the data is just here and it's not an easy data to analyze, and certainly not for a bunch of lawyers working on this.

MR. SERINO: So -- sorry. Anthony Serino. So there's nothing that's like an account statement that Synapse would have received from Evolve?

MS. MCWILLIAMS: If there -- your Honor, this is the Trustee.

If there is or if there was, we are not aware of it. And if -- which doesn't mean that there wasn't, it just means that we have no way of knowing whether or not there was.

MR. SERINO: Okay. Thank you.

Evolve, any comment? Were you providing balance activity to Synapse?

MR. SWAMINATHAN: This is Aravid Swaminathan. I can't comment on that.

MR. SERINO: Okay. Well, all right. Whatever.

THE COURT: Thank you, Mr. Serino.

MR. SERINO: Thank you.

Ms. Caliguire, you have a follow-up?

MR. CALIGUIRE: Yes. I'd like to make an offer to the Court. I have a local agency in St. Paul, an insurance company that I work closely with. They're defense certified. They're certified for medical devices, they're certified for financials to host data. They are willing to host this data. They are willing to help move this data.

I'm personally willing -- this is my area of speciality. I know the Court has said that this is not their area of expertise, but this is actually what I do for a living, and this -- my speciality is to do lifts and shifts of databases like Mongo, and manage the technical work. I work with industry experts in this space. I'd be willing to volunteer my time to manage that move, and then be willing to incur all the costs to host it. And I feel like it's minimal enough. I could crowd source it with the groups within RIVET, our users, and I can provide any and all documentation, and just whatever you might need to start looking into it. But I have a local agency that's willing to take it on, and I'm willing to help do it.

I know you say that this data is not easy to analyze. That is what I do for a living, and I do analyze that data for a living. And it is easy for me and it's fun for me, and I would like nothing more than to help, and I have a local agency willing to take this on. And I'd be happy to assist in any way.

THE COURT: All right. Well, I think you should get in touch with Ms. McWilliams and share -- you know, discuss with her the details.

MS. CALIGUIRE: Okay. Thank you.

THE COURT: Yeah. That's not something I would be involved in necessarily, so.

MS. CALIGUIRE: I just wanted to put -- I know it's very expensive --

THE COURT: Yeah.

MS. CALIGUIRE: -- to --

THE COURT: No. I mean --

MS. CALIGUIRE: -- move (indiscernible). You know, but when the industry experts we do it ourselves, it's actually pretty cheap, because this is what we do. So we're not incurring the costs of ourselves. You're paying for people like me, so that's where the costs of these projects are.

When we get together it's actually a really inexpensive in the storage space, and 200 terabytes is nothing on a rack server, it really isn't. And whether, you know, it has redundant backups, and it's nothing, it really isn't. It's minimal costs when you have experts and all of that. Management free if the cost is usually in that delivery. So, it's actually, it's pretty inexpensive if you have the people here to do it and willing to do it at no cost.

THE COURT: Yeah. Ms. Mooney?

MS. MOONEY: Yeah. Your Honor, if I may. Grace Mooney from Cravath on behalf of the Trustee.

Mrs. Caliguire, I do encourage you to reach out with those details. We'd be happy to discuss them.

One, I will just raise for the Court, one of the complications in handing over this data to a custodian is because of the amount of personally identifiable information and private financial data that's at issue, there are some pretty strict state privacy law requirements.

I'm not even fully aware of all of the laws of all of the states implicated, but I know, for example, in California, where were have the list on, though it may get impossible for us to turn the data over to -- to like individuals, if that makes sense, there has to be some sort of like entity or institutional level of control rights.

So, you mentioned that agency, which is why we'd be very interested in speaking with you. But I know people have made very generous offers of their time and services prior, and I want to just say, it's not that we want to ignore those or doubt anyone's capabilities, it's because of the privacy restrictions about turning those data pieces over to an non-institution, unfortunately.

THE COURT: Okay.

MS. CALIGUIRE: Thank you for that.

THE COURT: Well, I'll let you all talk off-line about the details.

But, Ms. Caliguire, I appreciate your initiative and there may be -- may be some -- some solution that emerges among the folks that are impacted, whether it's the end users, the fintechs working with the banks, hopefully something like that comes together. But I think the Trustee is the -- is the lynchpin here in terms of screening and discussing the logistics of any of those possibilities.

Ms. McWilliams?

MS. MCWILLIAMS: Thank you, your Honor. I just want to ask one quick follow-up question to Ms. Caliguire.

Ms. Caliguire, is the data that -- the agency you refer to, is it a private company, a corporation or is a Government agency?

MS. CALIGUIRE: No, it's a private company that works -- that works in the medical device space and aerospace, and they're certified for defense control. So they have that -- they have way higher data restrictions -- I work in this data area -- than HIPAA laws and things like that. For even financial data or medical data, it's much, much higher for credentials. So they have all the credentialing that you would expect. They host and transfer data like this all the time for private companies and for government agencies and for all types of different scenarios.

MS. MCWILLIAMS: Okay. So, thank you. I -- we will definitely follow-up. I just want to make sure to manage expectations. We may or may not be able to turnover the data to a non-government entity at this point in time.

So I just -- I don't want to people to -- I feel -- I have so much empathy for the end users here that I just don't want them to have hope that this could happen. I hope it can happen, but, again, we are governed by very strict laws and procedures and state regulations that may or may not make this feasible. The easiest thing, to the extent that anybody's listening and is willing to pay for it, would be to keep the data where it is and pay for the monthly maintenance once we are able to move more of it into cold storage. That would be the easiest thing, and that would truly preserve the data, and nothing would be lost in the transfer. But we're willing to talk to people who are -- have any means of helping us.

MS. CALIGUIRE: Thank you.

THE COURT: Thanks.

MS. CALIGUIRE: All right. I'll expect -- thank you.

THE COURT: All right. Joshua Nelson, you have a follow-up?

MR. NELSON: Yes, sir. Joshua Nelson. So, I just want to make sure I heard that correctly from the Trustee, that that data more than likely to be transferred to a government agency, is that what I just heard?

MS. MCWILLIAMS: The -- yes. So the data belongs to the estate. It depends what happens with the estate. The data set needs to go where it can be protected in terms of the privacy of the personally (indiscernible) information, and to the extent that there is any other confidential information of the individual users.

So, I'm not sure. We would have to explore exactly whether or not a private entity, a non-government entity could acquire this data and under what circumstances and how.

MR. NELSON: Okay. I just -- it's just ironic that -- that it has to go to a government agency, but no government agency is willing to step up. That's kind of wild to me.

And I should have asked this prior, but is there a, like a window as far as when this data is -- you know, how long it can be kept on its current servers or what -- is there, you know, a window of time we're working with? Do we have a month left, three months, six months? You know, what's the realistic expectations of when this has to get figured out?

MS. MCWILLIAMS: Your Honor, this is the Trustee.

Mr. Nelson, that we are on borrowed time. We have not been able to pay our bills. And "we" being the estate. And so, the data is hosted, and we owe money for hosting the data. I don't know how much longer the data will be preserved in this capacity. We're literally at the mercy of the databases and the companies that have -- that are supporting them.

MR. NELSON: Can you ask them, so we know? So like theoretically, they could just like tomorrow be like, you know what, we're done, and they just erase all that data and it's gone forever? Is that -- is that what I'm hearing?

MS. MCWILLIAMS: The -- theoretically speaking, yes, that they could do that. I believe there is a stay on the data for now, but it's not going to -- I don't know, Grace, does it have a end date?

MS. MOONEY: This is --

THE COURT: I think they have to -- I think they have to come and ask for permission. But I can't -- you know, and there was an effort early on. One of the vendors asked, and I responded by saying this was of monumental importance. Nobody that's touched this case wants to be involved.

And there are lots of people, including the Trustee and her law firm and her financial advisor, who at this point have been -- you know, are -- probably have expended millions of dollars of services that they're never going to get paid for. And I haven't seen them in a while, so I suspect that they responded to my appeal.

But, you know, at some point they will probably lose patience with the situation where if they're expending hard costs that they're not recouping, they're going to come here to ask for permission to stop providing service. And I'm going to be hard-pressed to say no. They -- it's already been - how many months are we into the case, Ms. McWilliams?

MS. MCWILLIAMS: Your Honor, you appointed me -- you appointed the Trustee, and I was selected by the U.S. Trustee on March 24th of last year.

THE COURT: Okay. So we're approaching a year, and --

MS. MCWILLIAMS: I'm sorry, May. Your Honor, I'm sorry. May.

THE COURT: "May." Okay. All right. Well, three-quarters of a year. It's been a very long time. So, yeah, I understand why the -- why the Trustee views this as a critical situation.

MR. NELSON: Sure. Is there any -- this is Joshua Nelson. Is -- are there -- is there any representation on this call from any of the federal bodies that are in charge of regulating these partner banks that are involved in this case?

THE COURT: I don't know.

Is there anyone here from a federal regulatory agency that wants to identify yourself?

MR. NELSON: That's a shocker. Well, I guess my point is, is that, you know, we pay our tax dollars to protect us in situations like this. And this data could theoretically be gone at any moment. And would -- it would -- with literally like $100,000,000 just go out the window. And, you know, American citizens who pay our taxes and follow the laws and, you know, it's just ridiculous. I don't understand. Unless -- unless there's something going on that, you know, in which these bodies cannot talk about. If that's the case, I'll gladly take my foot out of my mouth the day that they come out of the shadows and say, we've been there all along, but it surely doesn't feel like that.

And I know your courtroom, your Honor, I'm not trying to be disrespectful or drag this out any longer. But as you said, I mean, it's -- you said nobody wants to touch this case, including myself, including every single end user who has to wait day after day after day after day after month, and now we're approaching a year. It's absolutely ridiculous. And, you know, it's just going to get -- the case is going to get kicked down the road. We're already seeing the moment. I'm starting to stop.

You know, the next hearing now is in two months, and meanwhile nobody from the very agencies that we, the people who have had our money stolen from us, nobody from those agencies are stepping up to even say like, hey, we got your back, or, hey, we got something going on, or, you know, we're going to get you taken care of. You know, none of the executives talk on these meetings. They all hide behind their suits. They're all cowards. And I don't know what the repercussions are for -- you know, I'm just going to stop at that before I get myself in trouble. Have a nice day.

THE COURT: All right. Thank you. Mr. Nelson, I inferred no disrespect. I understand. I hear your level of frustration, and I know that it is shared by so many folks. So, I don't mind you -- anyway, I took no disrespect. Thank you for sharing.

Is there anyone else that has questions?

MR. NELSON: Thanks.

THE COURT: All right. Hold on here. Somebody on the phone has raised your hand with a 562 number? Do you have a question?

MR. TINDALL (telephonic): Yes, your Honor. Thank you. Can everyone hear me?

THE COURT: Yeah.

MR. TINDALL: Great. So I believe this may have been alluded to, not directly --

THE COURT: Can you -- can you start by telling --

MR. TINDALL: -- addressed by the Trustee --

THE COURT: I'm sorry. Can you start by identifying --

MR. TINDALL: Apologies.

THE COURT: -- yourself?

MR. TINDALL: My name is Colin Tindall. I'm an impacted end user.

THE COURT: Thank you.

MR. TINDALL: So it was, I believe, alluded to earlier perhaps, but not directly answered by anyone, or the Trustee in particular here, but it's my understanding that the Southern District of New York has opened an investigation into the Synapse situation. Could the Trustee provide any answer as to whether their office has been in contact?

MS. MCWILLIAMS: Your Honor, this is the Trustee.

Mr. Kindle (phonetic), the -- we have talked to various government agencies, including the Department of Justice. And the -- I believe we talked to --

MR. TINDALL: How about the FDNY?

MS. MCWILLIAMS: I believe we talked to them as well.

Grace, did we talk to them?

MS. MOONEY: So --

MR. TINDALL: Okay.

MS. MOONEY: -- this is Grace Mooney from Cravath on behalf of the Trustee. Appreciate the question. We are also aware of the fact that there might be proceedings based on the public filings that were filed on the docket for someone seeking Juno insurance coverage.

Government investigations of that nature are confidential, including to the Trustee's team. So we don't have insight unfortunately into any progress they've made or something that they might be looking at doing. I'm sorry, but unfortunately, that's just something they would keep confidential until their investigation had proceed far enough along to protect the integrity of that. So there's no further insight we can give you. I'm sorry.

MR. TINDALL: But you can confirm that there's an open line of communication between the two offices?

MS. MOONEY: I can't confirm that. No, I apologize. I'm aware of the investigation because someone filed for coverage under an insurance policy on the docket. And so, you know, that makes us, along with the rest of the public, aware that there's some activity there, but any proceedings --

MR. TINDALL: Sure.

MS. MOONEY: -- or conversations would be confidential.

MS. MCWILLIAMS: And, mister --

MR. TINDALL: That's okay. Okay. Thank you. Let -- go ahead, please.

MS. MCWILLIAMS: You can assume that we talked to whoever would talk to us. And we're willing to collaborate with whoever is willing on law enforcement and government agencies, et cetera, et cetera. But I guarantee you, I work at two Government agencies. They are not going to tell you if they are doing stuff. And they're not going to tell us.

Frankly, the Trustee has more limited powers than I think most of the end users would like to believe. But it is the truth of the matter that --

MR. TINDALL: Well, I just wanted to make sure, especially -- pardon me. Especially in respect to the time-sensitive data, I just wanted to make sure that, you know, any ongoing effort by other agencies would have access to relevant information that the Trustee does. You know, I know there was some question about the CFPB being involved or not involved.

I'm still not really clear on why they still couldn't take action, regardless of not having the jurisdiction, but I believe they have a supervisor -- or some role, a different -- maybe not supervisory role, but it could be (indiscernible) -- I've spoken with a former lawyer at the CFPB, and we he continues to insist that they're the right agency to be addressing this issue. So, I don't understand why the interplay between the agencies isn't more clear in this situation.

But if I can just skip ahead to the next question, and to the -- more of a hypothetical. Supposing that there was fraud at this point, would the Trustee be aware of it? You know, if -- if the money was stolen, would we even know it with the information that we have?

MS. MCWILLIAMS: Your Honor, this is the Trustee.

Mr. Kindle, I'm not sure that I would know it, because that would require the analysis of the data that we haven't been able to conduct. So right now we understand there is --

MR. TINDALL: Understood.

MS. MCWILLIAMS: But we don't know what the origin of the shortfall is.

MR. TINDALL: I just wanted to make sure that we delineated clearly whether or not it had been ruled out that it was not investor fraud. At this point we can't say is my understanding.

And if there's time, I'll just add one more thing here, which is, to my understanding that commingling of funds and mixing of funds and the inability of the financial institutions to track those funds on an individual basis, leads me to a mode of thinking whereby someone is told there is a needle in a haystack, and they must find this needle, or it must take a lot of work or money to find this needle. And the person says, no, no, no, I'll just buy the haystack, because then I am guaranteed to own the needle.

So, the money that's been sent out which is supposedly, you know, the source of the shortfall, and can't be clearly delineated as to who is the owner of it, why not just take the whole large amount back into the financial institution's custody, the appropriate one, maybe it's

Evolve, maybe it's not, and then sort it out afterward?

MS. MCWILLIAMS: I'm sorry. Mr. Kindle, is this a question for the Trustee?

MR. TINDALL: I suppose it's a question for any of the financial institutions who may be on the call, or the Trustee, if they think that's an appropriate approach to this problem. I think we don't understand how -- even if you say, all your $50,000 was wrapped up in this $100,000,000, and we've sent that $100,000,000 over to this barn, I can still tell you, without needing to look into that $100,000,000, that my smaller amount is in there.

So what you would need to do as the financial institution, as a fiduciary, as any responsible human being, frankly, is to just take back that entire amount, the larger amount. And then as they were responsible for putting our funds into that haystack, it is now their responsibility to remove it. Does that make sense?

MS. MOONEY: This is Grace Mooney on behalf of the Trustee -- from Cravath, Swaine and Moore, I apologize, on behalf of the Trustee.

If I'm understanding your question correctly, agree this -- you know, the sorting out funds that belonged to each end user from accounts that were titled "to the benefit of" the entire Synapse ecosystem, which obviously has many end users of many fintechs involved, certainly was a complicated process. Because those funds are not property of the estate, we deferred to the partner banks who are the financial institutions, to act on the advice of their own counsel in determining how to conduct those reconciliation and distribution processes within their -- within their banks.

And so my understanding is that those partner banks have done what they can to reconcile funds to end users, as appropriate, and made distributions based on that. We are aware that those distributions continue to result in people not receiving the funds that are due to them, which is shown in their account balances on a Synapse ledger. And, unfortunately --

MR. TINDALL: I apologize. Before we get too much further --

MS. MOONEY: Right.

MR. TINDALL: -- I'm misunderstanding the premise here, which is, you said that the FBO accounts titled to the Synapse Brokerage were not the property of the estate? How can that be?

MS. MOONEY: Those funds held money in custody for end users like yourself, and not for Synapse as like a corporate entity. And it is -- it's the custodial nature of those accounts which leads us to the legal conclusion that those funds belong to end users and not to the bankruptcy estate.

MR. TINDALL: So the legal interpretation is that an account with the words, "for the benefit of," and then ending in Synapse Brokerage, do not belong to Synapse Brokerage? That's confusing, wouldn't you admit?

MS. MOONEY: Well, I think if you -- I'm sorry. This is Grace Mooney on behalf of the Trustee from Cravath.

Those for-the-benefit-of accounts were titled to end users of the Synapse ecosystem. Some of those were end users of Synapse Financial Technologies, some were end users of Synapse Brokerage. But it has been our belief this entire time that the money that was held in those accounts was property of and was most properly owned by end users, and not the bankruptcy estate.

THE COURT: Ms. Mooney --

MS. MOONEY: So that money was in a big account --

MR. TINDALL: The legal ownership of the money, according to this interpretation, is that it's the individual's property, but there's no technical way to separate that.

MS. MOONEY: The -- this is --

MR. TINDALL: Is that a correct interpretation?

MS. MOONEY: -- this is Grace Mooney from Cravath on behalf of the Trustee.

So, during -- when Synapse was operating business as usual, the technical way of discerning which individual would be owed which portion of those funds in those accounts would have been through the financial ledger that Synapse was operating. And that is why the cessation of operations at Synapse further complicated reconciliation issues that we believe preexisted the bankruptcy, and, therefore, made this a very difficult process for the partner banks to unravel, and for the Trustee's team to try to investigate.

So, essentially --

MR. TINDALL: So if I was to --

MS. MOONEY: Yes?

MR. TINDALL: -- tell this to a person who's unfamiliar with this situation, I would tell them, Evolve took out my money at the direction of Synapse Brokerage. Synapse Brokerage had the only means of delineating my money from everyone else's money. Synapse Brokerage cut down that mechanism and now they can't answer for where my money is? But they were responsible for the -- the indexing of individuals to the appropriate portions of the -- those funds. That's right?

MS. MOONEY: This is Grace Mooney from Cravath --

THE COURT: Yeah.

MS. MOONEY: -- or Ms. McWilliams might take this.

MS. MCWILLIAMS: Thanks. I'm happy to take this over.

So this the Trustee. You are correct in most of what you just said, except for that person would have to also understand that -- and by the way, this is not the Synapse now, it's the Synapse estate. So the -- and I know for you it probably doesn't make a difference, the money's just missing, but the Synapse estate versus Synapse are two different entities.

I -- well, I have a lot of opinions about that, but --

MR. TINDALL: I do recall that detail.

MS. MCWILLIAMS: Yeah, yeah. So, the problem is that also the Synapse Brokerage was not a subject to the bankruptcy. And so we have been doing the best -- but the data between the Synapse Brokerage and the Synapse Financial Technologies is kind of all in the same pile.

And so, really, I know it's sounds crazy when you're describing it like that, but it's not -- from the set of circumstances that we have, without the ability to analyze the data, and then within the analysis of the data to bifurcate what was Synapse Brokerage, what was Synapse, and then go to next level on the FBO account, what was moved here when, et cetera, truly we can't give you an answer to that question. So, yes, technically, that would be a correct interpretation of what happened. As unbelievable as it sounds, that's exactly what happened.

MR. TINDALL: Yeah. Thank you, Ms. McWilliams.

THE COURT: All right.

MR. TINDALL: If I --

UNIDENTIFIED SPEAKER: This is --

MS. MCWILLIAMS: I'm sorry.

MR. TINDALL: May -- is there -- no, it's fine. If there's an individual beyond Sankaet Pathak who's at Synapse that maybe the Trustee's had contact with, or is there an individual by name, someone perhaps just under Sankaet, who would have been responsible for the senior operations at either Synapse Financial Technologies or Synapse Brokerage, who can answer these questions?

It's my understanding that Synapse is no longer responding to journalist requests, and I've never heard of them in this courtroom -- well, not for several hearings anyway. And it baffles me to think that someone with the correct tool in their toolbox, this middle layer, that Synapse had to correctly delineate the ownership of, you know, the individual ownership of those funds, why aren't they willing to provide that? What is the barrier to -- to using that, cost of money, human labor? What is preventing Synapse from using that to correctly identify our funds as they once did?

MS. MCWILLIAMS: And this is -- your Honor, this is the Trustee.

There's no longer Synapse, and that's what's preventing it. The employees of Synapse ceased to be employees of Synapse back in -- at the end of May. There is -- I'm assuming there are people who have held this data who, through the appropriate channels could be compelled to do all of this. I don't know what those channels are.

Ideally, had we had the funds to do the reconciliation, we would not have needed them, because we should have been able to follow -- you know, it's the old American saying, follow the money, right? We should have been able to follow the money and get to the bottom of that, but we are simply -- the estate is not in a position to do that. And so, you're right, there had --

MR. TINDALL: So, has -- no formal request has been made to Synapse to use the tool that was previously used to do this, or they just -- there's no person to address that question to?

MS. MCWILLIAMS: Your Honor, this is the Trustee.

There's no Synapse. And so anybody who --

MR. TINDALL: Right, right, but there's still Sankaet Pathak and there's still the people who were the former employees. I mean, there has to be some person, human being somewhere in the world who had the log-in information and the knowledge of where the data is in order to access that tool. And that's what -- that's what I mean about getting to some individual names here. I mean, obviously, at the very top we have Sankaet, but there must be under him other people who could be -- I don't know if I want to use the word "compelled," or maybe take them from rooftop. But there must be -- got together colorful language there, some route to accessing that tool which once existed less than a year ago.

MS. MCWILLIAMS: Your Honor, this is the Trustee.

I believe we have received what we believe to be most of the log-ins for the data. The problem is, what do you do with that unless you have somebody who's capable of interpreting the data and going back, and that is the exceptionally tedious job.

THE COURT: Yeah. All right. We're going to --

MR. TINDALL: I'm sorry. I missed the last of your words.

THE COURT: -- we're going to wrap things up.

MR. TINDALL: Okay. I apologize for taking so much of the Court's time. I just wanted to get --

THE COURT: No, no.

MR. TINDALL: -- clear understanding of what is preventing that tool from being accessed. And it sounds now like we have log-in information, but we don't know what to do with the log-in information in order to find the persons responsible. And I'll end at that.

THE COURT: Okay. All right. I want to thank the -- thank the Trustee and her team again for all of your hard work. One minor suggestion, and you don't even need to respond to this. I'm so hesitant to suggest anything, to tell the Trustee what to do, because you -- it's your business judgment. But just from the colloquy about the Southern District of New York thing, one observation I have.

There's now some public information, or something in the public that suggests there might be an investigation. And you may have talked to prosecutors at the SD and Y at some point. And I wouldn't -- I wouldn't expect you to acknowledge when you talked to them or what you talked to them about, anything like that.

But if there's this little bit out in the ether that they might have an investigation, it might be worth checking in with them again to let them know that this data has -- has a life span. And to remind them what the sort of concrete wall that we're running into in terms of -- or maybe that's not the right analogy. The living on borrowed time in terms of preserving the data. That's something that might -- might be of more interest to them now than it was whenever you made contact.

Again, you don't have to respond. I don't want to know anything about your conversations with them. But this is the only way I can make a suggestion is here in open court on the record. And if you've already done that, great. But if not, you might want to consider checking in with them again and filling them in about this particular problem.

MS. MCWILLIAMS: Thank you, your Honor.

THE COURT: Okay. So the Court's available, if you're available, Ms. McWilliams, on April 11 at 10:00 a.m. Would that work for you?

MS. MCWILLIAMS: Thank you, your Honor. This is the Trustee. Just taking a quick look at the calendar --

THE COURT: Sure.

MS. MCWILLIAMS: -- which is Friday. April 11th is a Friday. I believe so, your Honor. So, yes, we would -- we would be obliged to do so.

THE COURT: Okay. All right, then.

In the next 24 hours or so, the Court will set up a Zoom. And on the Court's calendar on the Court's website, the Zoom information will be posted. And we'll look forward to your report in April. Thank you again for your hard work.

And, again, to all of you who have -- who are suffering as a result of this tragedy, I am -- I am deeply sorry. And I do -- I do think about you and the situation every day, and share -- share frustration with you about what's going on. I hope you get some resolution. I'm increasingly pessimistic that that resolution will happen here, but we can only do what our respective roles permit us to do under the circumstances, but we are trying.

All right. That's -- that completes the Court's calendar for today. This Court is adjourned.

(Proceedings concluded.)

I certify that the foregoing is a correct transcript from the electronic sound recording of the proceedings in the above-entitled matter.

/s/ Holly Steinhauer — 2-12-25

Transcriber — Date