

**SUPREME COURT OF SEYCHELLES**

---

**Reportable**  
[2022] SCSC 82  
XP 25/2022

In the ex parte matter of:

**THE GOVERNMENT OF SEYCHELLES**  
*(rep. by Attorney General, Frank Ally)*

**Petitioner**

---

**Neutral Citation:** *The Government of Seychelles* (XP25/2022) [2022] SCSC 82 (4 February 2022).

**Before:** Esparon J

**Summary:** Application for an interim order under Section 3 of the Proceeds of Crime (Civil Confiscation) Act and for an appointment of a Receiver under Section 8 of the same Act.

**Heard:** 28<sup>th</sup> February 2022[date]

**Delivered:** 4 February 2022

---

**ORDER**

The application is allowed and the interim order is granted in accordance with Section 3 of the Proceeds of Crime (Civil Confiscation), Act and the Court appoints Terence Roseline as the Receiver of the said property under Section 8 of the same Act. The Court further ordered that the said property to remain under seizure by Peken Global Limited (KuCoin) unless further order of the Court.

---

**RULING**

---

**ESPARON J**

[1] This is an ex-parte application under Section 3 of the Proceeds of Crime (Civil Confiscation) Act 2008 as amended seeking an order from this Court prohibiting the Respondent or any other person specified in the order from disposing of or otherwise dealing with the whole or any part of the property set out in the table appended to this Notice of Motion.

- [2] Secondly, they are seeking for an Order appointing Terence Roseline or such other person as this Court shall direct to be the Receiver over all of the said property and thus to manage, keep possession or dispose of, or otherwise deal with any other property in respect of which he is appointed in accordance with Section 8 of the Proceeds of Crime (Civil Confiscation) Act, 2008 as amended.
- [3] The application is supported by the Affidavit of Terence Roseline, an Inspector in the Seychelles Police Force, currently attached to the FCIU, which relies on the sworn statement of Special Constable David Templeman, a on the investigator from Cayman Islands bureau of Financial Investigation.
- [4] The deponent Inspector, Terence Rosaline has averred in paragraph 6 of his Affidavit that the investigation identified that as between the 9<sup>th</sup> to the 11<sup>th</sup> October 2021, the Hathor Network main net had been illegally accessed and 115 million counterfeit HTR Tokens (with approximate currency value of USD \$69 million) were created by using a flow in the network code by (double spending) those already in their possession.
- [5] The deponent further avers in his Affidavit that between 07.50 GMT on the 9<sup>th</sup> October to 21.05 GMT on the 11<sup>th</sup> October 2021, 18,413,721.94 counterfeit HTR Tokens (with approximately FIAT currency value of USD \$11.36 million) were deposited onto the KuCoin Virtual currency exchange, a primary business partner for HTR Token.
- [6] The deponent further avers in his Affidavit that KuCoin is owned and administered by Peken Global Limited (Peken) which is an IBC registered in Seychelles.
- [7] The deponent further avers paragraph 21 of his Affidavit that HTR Tokens were deposited in five KuCoins's Virtual currency wallets in which I hereby reproduce the table attached to the Notice of Motion file in the matter.

THE ESTIMATED VALUE OF CRYPTOCURRENCY BEING HELD IN THE FIVE (5)  
WALLET ADDRESSES.

KuCoin Exchange

1) Wallet address: HFhRsTiGtBadlihBWFsELRJw3seyf84JYa		
Items	Description	Estimated Value
1	HATHOR (HTR)	6,210,052.42
	USD	USD 9,190,877.58
TOTAL		USD 9,190,877.58

2) Wallet address: HJS78EyQDcHE7imrNkxivPvQsd56iR7fS1		
Items	Description	Estimated Value
1	HATHOR (HTR)	26.50
	USD	USD 39.22
2	MONERO (XMR)	692.68
	USD	USD 148,233.52
TOTAL		USD 148,272.74

3) Wallet address: HHcPx4kUmsdch Wzx6quMWjmDKYehAjtg24		
Items	Description	Estimated Value
1	HATHOR (HTR)	548,548.89
	USD	USD 811,852.35
2	MONERO (XMR)	685.13
	USD	USD 146,617.82
TOTAL		USD 958,470.17

4) Wallet address: HMFRXq7udi822WX2Nm6giEyoE3uywx4hCp

Items	Description	Estimated Value
1	MONERO (XMR)	976.43
	USD	USD 209,598.02
TOTAL		USD 209,598.02

5) Wallet address: HSE7p7PjumTzy7gSrUqN4p WAhDTsDQzRr3

Items	Description	Estimated Value
1	MONERO (XMR)	76.88
	USD	USD 16,452.32
TOTAL		USD 16,452.32

**TOTAL CRYPTOCURRENCY VALUE IN USD**

TOTAL	ESTIMATED USD VALUE OF CRYPTOCURRENCY ON 13 <sup>TH</sup> JANUARY 2022	USD 10,523,670.83
-------	---	-------------------

WEB ADDRESS USED TO CONVERT CRYPTOCURRENCY TO USD ON THE 13<sup>TH</sup>  
JANUARY 2022

Items	Description	Estimated Value
1	HATHOR (HTR)	<a href="https://www.coingecko.com/en/coins/hathor">https://www.coingecko.com/en/coins/hathor</a>
2	MONERO (XMR)	<a href="http://www.coingecko.com/en/coins/monero">http://www.coingecko.com/en/coins/monero</a>

- [8] The deponent further avers in paragraphs 23 and 28 of this Affidavit at KuCoin after having been informed of what had taken place administratively froze the above mentioned wallets for a limited period and that in the intervening period before a freeze was applied by KuCoin 6,666,563.16 counterfeit HTR Tokens were sold to various third parties bona-fide users of the KuCoin exchange. Those counterfeit HTR Tokens were exchanged for three other types of virtual currency, namely Bitcoin (aka BTC), Tether (aka USDT) and Monero (aka XMR). The total value is estimated to be US\$ 2 million.
- [9] The deponent further avers in paragraph 26 and 27 of the Affidavit that on the 13<sup>th</sup> October 2021; Hather Labs after identifying the flaw released a new version of the software that each Network participants and that this corrective action unable in the consensus algorithm, patched the code and resulted in the 115 million counterfeit HTR Tokens being invalidated code and to be spent or traded so effectively made worthless.
- [10] The deponent avers in paragraph 28 of the Affidavit that an approved agreement between Hather Labs and KuCoin was signed. The agreement stipulated that Hather Labs would transfer 18,943,721.94 of valid HTR Tokens to KuCoin to replace those sent to their platform which were later made invalid. The agreement specified that 5 suspicious accounts (wallets previously referred to above) would remain frozen presumably meaning that KuCoin would restrict users access until directed to move the funds via Court Order.

- [11] That the deponent has averred in paragraph 34 of his Affidavit that it is his belief under Section 9 of the Proceeds of Crime (Civil Confiscation), Act that Peken Global Limited (KuCoin) is in possession or controlled of specified property set out in the Table attached to the Notice of Motion and the said property constitute direct or indirect benefit from Criminal Conduct and that Peken Global Limited (KuCoin) is in possession or controlled of specified property of which the said property is mentioned in the table attached to the Notice of Motion and that the property is proceeds criminal conduct namely unauthorised access to a computer, theft of cryptocurrency and that of money laundering or that the said the properties had been acquired in whole or in part through the said criminal conduct. The deponent further avers that the total value of property, is not less than SCR 50,000.
- [12] Counsel for the Applicant, Miss Nissa Thompson has made submissions by relying on her Application and Affidavit and also made submissions on the law.
- [13] I have considered the submissions of Counsel for the Applicant and ex-facie the pleadings this Court finds that the Applicant has proven on a balance of probabilities that the Respondent, Peken Global Limited (KuCoin) is in possession or control of specified property and that the said property constitute directly or indirectly the benefit from criminal conduct namely the offence of unauthorised access to a computer, theft of cryptocurrency and money laundering or that the specified property was acquired in whole or in part with property that is directly or indirectly constitute benefit from the said criminal conduct.
- [14] Furthermore, this Court is satisfied that the Applicant has proven on a balance of probabilities that the value of the said property in not less than 50,000.
- [15] As a result of the above, the Court makes the following order;
- i. I accordingly allow the application and as such the Interim Order is granted in accordance with Section 3 of the Proceeds of Crime (Civil Confiscation) Act, 2008 as amended prohibiting the Respondent Peken Global Limited (KuCoin) or

any other person from disposing of or otherwise dealing with the whole or any part of the property, or diminish the value of the property as set out in the table appended to Notice of Motion filed in the matter.

- ii. I order that the cryptocurrencies in the wallets as described in the table attached to the Notice of Motion and reproduced in paragraph 7 of this Ruling remain under seizure by Peken Global Limited (KuCoin) Unless further order of the Court.
- iii. I accordingly appoint Mr. Terence Roseline as Receiver over all, or part of the said property to manage, keep possession or dispose of, or otherwise deal with the said property mentioned in the table attached to the Notice of Motion in accordance with Section 8 of the Proceeds of Crime (Civil Confiscation) Act, 2008.
- iv. I order the Registrar of the Supreme Court to serve a copy of this order on the Respondent, Peken Global Limited through its Registered Agent namely, Vistra (Seychelles) Limited, Vista Corporate Services Centre, Suite 23, 1<sup>st</sup> Floor, Eden Plaza, Eden Island, Mahe, Seychelles.

Signed, dated and delivered at Ile du Port on 4 February 2022

---

Esparon J