

UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF FLORIDA
Case No. 17-81370-cv-MIDDLEBROOKS/Brannon

ANDREW HODGES, individually,
VLADIMIR COOD, individually;
GAUTAM DESAI, individually;
JODY POWELL, individually;
JEFFREY HEBERLING (deceased), individually;
SHAMMI NABUKUMAR, individually;
ANTHONY SAJEWICZ, individually;

PLAINTIFFS,

vs.

MONKEY CAPITAL, LLC, a Delaware limited liability company;
MONKEY CAPITAL, INC., a foreign corporation;
DANIEL HARRISON, an individual;

DEFENDANTS.

MEMORANDUM OF LAW IN OPPOSITION TO MOTION FOR JUDGEMENT

Background To Lawsuit

1. On July 1, 2017, the DEFENDANT announced a planned ICO of Monkey Capital token called MNY which would be undertaken on Waves decentralised Exchange platform and then created with an ERC20 “swap”. Such swaps are very commonplace in the case of Blockchain decentralised currencies.
2. Monkey (MNY) was the currency that was to be used to power the Monkey network
3. The Monkey network was different to most blockchain builds; it was planned to be a decentralised value-configured smart contract based network not unlike that of Bancor (indeed the equations that are used in the smart contracts for Monkey are very similar to those used in the Bancor protocol)
4. MNY was the “high supply” currency and COE was the “low supply” currency

5. The DEFENDANT was successful in attracting a market to both MNY and COE that was robust and popular
6. On July 27 the SEC issued guidelines that ICOs may be considered securities: this announcement put pressure on the DEFENDANT to rethink the approach of issuing Monkey tokens in such a way that might be considered securities
7. The DEFENDANT chose to initially sell half the Monkey tokens into the market to establish an equilibrium value between Coeval and Monkey. This equilibrium value was priced between 13,000 and 20,000 MNY / COE on an intrinsic 10,000 MNY / COE reflecting the balance of supply difference between MNY / COE. When the equilibrium held around the 10,000 MNY / COE mark the DEFENDANT sold more Monkey tokens
8. A defaming blog post was published by a gold site news proprietor named Peter Spina in which Spina falsely accused the DEFENDANT of “dumping” the MNY tokens into the market in the same way and language that the lawsuit uses to describe such sales despite that the DEFENDANT advised all holders throughout the course of the MNY sales that he was selling MNY
9. The proceeds of MNY sales were received in Bitcoin and in Waves tokens. As most of these sales were effected on Waves DEX which does not have efficient or reliable record keeping evidence is opaque and unreliable. However the DEFENDANT has more reliable records of purchases made with BTC of MNY.
10. It is important to note that the DEFENDANT never saw the difference between Bitcoin or MNY; both are digital currencies designed to be used as a medium of paying for things
11. The DEFENDANT was forced by the Spina attack to reconsidering the strategic approach he had towards rolling out the currency system
12. On Aug 31 Silver Miller Law formed their litigation company. Ref has been made in past papers which was questioned but the reason this is significant is that there were discussions vis-a-vis lawsuit as early as late July and early August. This combined with the attack by Spina on the DEFENDANT looks suspect at best
13. One week after Silver Miller formed their legal company MNY was delisted from CoinMarketCap. CMC was asked why this was and has been asked since and they have not given a response. This adversely affected trading as CMC acts in essence like a billboard for digital currencies
14. Without representation on CMC and with continuous attacks increasing daily the DEFENDANT was in a very difficult position. He was advised privately to close down

the operation but felt morally compelled to continue. A decision was taken to keep issuing tokens over the course of the next 4 months in order to stimulate volumes

15. It is important to note the DEFENDANT in many cases gave away tokens to traders willing to create market volume. The intention was not to raise capital (which is why it was reasonable to cancel the ICO) but rather to stimulate volumes which is the life blood of all currency exchange markets
16. The additional activity did help stimulate volumes up until December when this lawsuit was filed. At that point volumes were killed instantly.
17. The DEFENDANT went ahead with a token swap which was successfully completed
18. The overall plan however had been adversely affected by external market events especially including this lawsuit that it was no longer operable. The plan had been for MNY and COE to act as high utility and low utility tokens in a series of smart contract enabled swaps transactions wherein a “fee” would be extracted continually in the form of MNY and COE. This fee income would allow the DEFENDANT to invest in several lucrative investment contracts such as Space X supply contract via a partner, to recapitalise a U.K. public company Highway Capital and a series of other developments all proposed in the original White Paper
19. Income generated from the investments would enable the DEFENDANT to continually develop the sophistication of the digital currency platform
20. Irrespective of whether the lawsuit itself was responsible or Spina etc the fact is that the forces that conspired against the DEFENDANTs plans to roll out such a plan successfully were all external market forces well beyond the control of the DEFENDANT and in no way controllable via the DEFENDANT

Overview of Monkey Capital’s Decentralised Proof-of-Value Protocol

21. MNY is high-utility currency that is played into FUTR. FUTR is a product that amplifies the return on MNY utility over various time periods. COE is a low-utility currency that is played into FUTX. FUTX is a product that amplifies the return on COE utility over various time periods. Both Futures generate fees that are paid into a smart contract in the form of COE and MNY. This smart contract is then used to play a product called Bitcoin trust (BCT) which operates in the same way as does Future except that the mining algorithm consists of the performance correlation of the first 8 years of Bitcoin’s price history and whereas Future products have time-out clauses embedded in the code BCT does not. Bitcoin Trust is then playable into the Synthchain smart contract. Synthchain gifts 30% of all SYNTH to an alternate smart contract mining application in token form that delivers the contents of its smart contract to the token holder. This virtual mining application is called Coeval Alpha (COA). Sometimes some of the Future fees may be paid into this smart contract too. Coeval Alpha is

produced continually, always mining new supplies of itself into its own smart contract. Coeval Alpha will attract additional airdrops from ICOs looking to enhance their value networks. Monkey will earn money in the form of COA the more that it plays into the smart contract network thus earning increasing amounts of SYNTH which can be refunded for BCT which can be refunded for FUTR and FUTX which can be refunded for MNY and COE which can then be invested in outside deals separately that generate income (e.g. Space-X supply contracts etc.) This additional income can be played back into the smart contract based digital currency system which will work like a digital currency decentralised hedge fund.

Register of Notice of Opposition To Complaint

22. The DEFENDANT for the above reasons registers extremely strong opposition to the complaint, which constitutes perjury, a criminal offense, on the part of the PLAINTIFFS if they are swearing under Oath that the events that transpired did so in light of the clear evidence provided here in this Memorandum

I hereby submit that this statement is truthful to the best of my knowledge.

Respectfully Submitted,

Daniel Mark Harrison
London, U.K.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing was posted by mail with the Clerk of Court on this day of Tuesday 15th January 2019 and by e-mail to Judge Middlebrooks and to **DAVID C. SILVER** at DSilver@SilverMillerLaw.com.