



IN THE SUPREME COURT OF GIBRALTAR

Neutral Citation Number 2025/GSC/005

2025/ORD/012

BETWEEN:

(1) READY MAKERS INC

(2) DAVID BENNAHUM

(3) BITKRAFT VENTURES BVI TOKEN BLOCKER 1 LIMITED

(4) DAVIDI GILO

(5) APPLICABLE LIMITED

(6) DENARIUS PROPERTIES LIMITED

Claimants

-and-

(1) CHRISTINA MACEDO

(2) DIECIXI CO LIMITED

(3) READY MAKER (GIBRALTAR) LIMITED

Defendants

Keith Azopardi KC with Kelly Power (instructed by TSN) for the Claimants

Lucy Keane (instructed by Signature Litigation) for the Defendants

Judgment date: 20 February 2025

JUDGMENT

RESTANO, J:

Introduction

1. This is my extemporary judgment following the hearing of an application yesterday for a variation of a trust preservation and freezing order that I made on 4 February 2025 (“the order”).
2. The order covers certain assets, mainly \$PLAY tokens (“the tokens”). Further, it provides for Damex as the nominated custodian to hold the tokens pending the hearing for the continuation of the injunction taking place on 3 and 4 April 2025. Approximately 439 million tokens were transferred to Damex further to the order.
3. In support of this application, the Defendants rely on the first and second witness statements of Ms Macedo dated 6 and 14 February 2025 respectively. The Claimants, who largely oppose the application, have filed the second witness statement of Gareth Jaffe dated 12 February 2025.

Background

4. Before turning to the application itself, it is necessary to provide some background to the dispute, and to the proceedings so far.
5. Ready Makers Inc. was created in 2016 by Mr Bennahum and provides a platform for customised games to be created. As part of this business enterprise, a token was launched, and it was decided that this would be created through a Gibraltar company, namely Ready Maker (Gibraltar) Limited. Ready Maker (Gibraltar) Limited launched the ICO for this token on 10 December 2024, limited to 1 billion tokens.
6. Ms Macedo held a senior position in Ready Maker Inc., and the Claimants say that the shares in Ready Maker (Gibraltar) Limited were placed in her name for “*commercial, regulatory and fiscal reasons*”. Further, they say that she holds those shares as a bare trustee for Ready Maker Inc., although there is no trust instrument to that effect. The reason why these proceedings

have been commenced is because the Claimants allege that Ms Macedo has betrayed their trust, that she has usurped control of Ready Maker (Gibraltar) Limited, and that she is now wrongly dealing with the shares of Ready Maker (Gibraltar) Limited as her own, and which are worth over US\$100 million.

7. Ms Macedo on the other hand states that she does not accept Ready Maker Inc.'s claim to ownership of the beneficial shares of Ready Maker (Gibraltar) Limited, which she has now transferred to Diecixi Co Limited, a Maltese company that she has set up. Thus, although the crypto context in this case is a contemporary one, the core issue for trial is familiar territory.
8. The Claimants' injunction application was heard on 4 February 2025, with the Defendants having been given short notice of the hearing. Although there is a further hearing on 3 and 4 April 2025, the Defendants made this application on 7 February 2025. It first came before the court on 12 February 2025, but largely due to insufficient time, the matter was adjourned to 19 February 2025 when the application was heard.

This variation application

9. There are broadly three elements to the variation application as follows:
10. First, the Defendants say that the order is contradictory because, apart from the trust claim advanced, it was intended only to apply to unallocated tokens, but there are parts of the order that suggest otherwise. Ms Macedo also states in her witness statement that 309,750,726 tokens do not fall within the definition of 'unallocated digital assets', although this is not specifically referred to in the application.
11. Second, the Defendants seek to exclude 68,213,211.652 tokens held in electronic wallet 0x4343 (I will refer to these wallets by reference to the first few characters only) from the scope of the order, and currently referred to in schedule D of the order, because they say that these tokens have been

allocated or pledged to third parties as part of existing business arrangements and should therefore be excluded from the scope of the order.

12. Third, the Defendants say that Ready Maker (Gibraltar) Limited requires some of its business capital held in tokens, around 28 million tokens, to conduct business between now and the hearing in April 2025.

The first issue: contradictory order

13. The order covers trust assets set out in schedule C of the order, namely 150,432,477.63 tokens. The order also covers other assets set out in schedule D of the order, which refers, in a non-exhaustive fashion, to all wallets and tokens under the Defendants' control including the 0x48c wallet (242 million tokens approximately) and the 0x4343 wallet (68 million tokens approximately). This gives the impression that all tokens held by Defendants must be transferred to Damex, which is at odds with the definitions set out in paragraph 17 of the order which makes it clear that the order is only intended to apply to unallocated tokens.
14. Mr Azopardi confirmed that he did not oppose the correction of this apparent contradiction in the order requested by the Defendants.
15. In my view, the tension in the order should be resolved to ensure that it is clear that, apart from the 150,432,477.63 tokens referred to in schedule C, the order applies only to unallocated tokens. The order should be modified accordingly.
16. I will deal with Ms Macedo's reference to the 309,750,726 tokens that she says should be treated as unallocated below.

The second issue: the tokens to be transferred

17. As stated above, schedule D to the order specifically requires the transfer to Damex of 242,681,971.9469 tokens in the 0x48c wallet, and 68,213,211.652 tokens held in the 0x4343 wallet.
18. Dealing first with the 0x4343 wallet. The Defendants say that the tokens in this wallet should be excluded from the scope of the order as it became apparent after the hearing on 4 February 2025 that they are pledged to certain third parties.
19. By way of general background, the Defendants say that in common with other similar business in the cryptocurrency space, tokens are used as a form of consideration paid or pledged to third parties in commercial relationships, and that they are subject to vesting arrangements whereby their distribution is delayed and can be claimed at the counterparty's discretion. Thus, Ready Maker (Gibraltar) Limited has entered into contracts with third parties for legitimate business purposes, which include raising capital, providing compensation/incentives for employees, contractors, and advisors and prospective clients.
20. Ms Macedo states that the 68 million or so tokens held in the 0x4343 wallet are not 'unallocated'. Rather, these tokens are held in a vesting wallet that holds and gradually releases them to a beneficiary over a predetermined period. She states that approximately 40 million of the tokens held in this wallet are investor tokens that can be claimed at any time, and that the remaining tokens all have varying 'unlock' schedules and will begin vesting in the course of the next six months under 'Simple Agreement for Future Tokens' or SAFT (a legally binding agreement used in cryptocurrency and blockchain projects to formalise the private sale of tokens to investors before they are publicly available) or similar agreements. Thus, she states whilst Ready Maker (Gibraltar) Limited still controls this wallet, that the tokens held in it are no longer the property of Ready Maker (Gibraltar) Limited, and have been contractually pledged to third parties, and that transferring these tokens to Damex would result in breach of multiple agreements.

21. Ms Keane further submitted that these tokens form part of a basket of allocated tokens totalling 376,574,211.21. She relies on a screen shot from Token Table headed 'ReadyGib – Vesting contracts, Investors, Partners, Contractors' which refers to the following data: 376,574,211.21 allocated tokens; 211,931,153.61 unlocked tokens; 167,786,789.35 claimed tokens. Further, this also refers under the heading 'Smart Contract Details' to "*Tokens Left in Contract 68,213,211,652*".
22. In response, Mr Azopardi explained that whilst the Claimants are prepared to consider legitimate requests for a variation of the order, the assertions made by the Defendants are vague, and that specific requests that they have made in correspondence have not been answered. Further, he said that the figures provided by the Defendants do not stack up.
23. Mr Azopardi said that there are a total of 1 billion tokens, and that even if 377 million tokens have been allocated as the Defendants suggest, that still leaves a balance of 623 million unallocated tokens. As 439 million have been transferred to Damex, according to Mr Azopardi's calculations this still leaves a balance of approximately 184 million. Even if 28 million tokens are retained as the Defendants are suggesting, Mr Azopardi pointed out that 156 million tokens remain unaccounted for. Mr Azopardi also observed that the contracts exhibited by Ms Macedo reflecting the tokens allocated to the various contractors total just under 82 million tokens.
24. Further, Mr Azopardi said that the Claimants are concerned that Ms Macedo and others assisting her with the alleged wrongdoing may be the beneficiaries of these tokens. Thus, he says that the court should be deeply sceptical about the Defendants' evidence.
25. Mr Azopardi also referred to statements from blockchain explorers 'BaseScan' and 'Etherscan' which are exhibited to Mr Jaffe's second witness statement showing the token balances. This shows that 89,999,999.9469 tokens are still being held in the 0x48c wallet, which is the wallet specifically referred to in schedule D of the order.

26. Whilst it is incumbent on the Defendants to provide adequate evidence to support the variation as Mr Azopardi submitted, it is important to bear in mind that the Claimants' application was made on an urgent basis on 4 February 2025, even though they had sent a pre-action letter to the Defendants on 15 January 2025. The Defendants were only given short notice of the application, and the court received the voluminous materials relied in support of the application the day before the hearing. The fact that an unrealistic three-hour time estimate was provided, did not assist either.
27. In the circumstances, it is now appropriate for the court to consider in a holistic way whether, in the light of the further evidence adduced, the balance of convenience has been altered. In particular, the court must consider what course seems likely to cause the least irremediable prejudice to one party or the other.
28. There does not appear to be a dispute that vesting arrangements exist in this area of business, and the question really is whether there is evidence that the 0x4343 wallet contains tokens that fall into this category. In my view, the explanation given by Ms Macedo in this regard is a plausible one, and the Token Table screen shot appears to provide some form of objective evidence that the tokens in this wallet should be treated as allocated and should not therefore be transferred to Damex.
29. Whilst the figures do not appear to stack up fully as Mr Azopardi submitted, I do not consider that justifies the court ignoring the objective data contained in the Token Table screen shot which supports what Ms Macedo is saying. It may well mean that there are other tokens which remain unaccounted for, but that is another matter, which I deal with further below. Accordingly, I consider that the balance of convenience points away from the Defendants being required to transfer these tokens to Damex.
30. The Defendants also say that a further 309,750,726 tokens are allocated in the same way as the 69 million tokens in the 0x4343 wallet. Ms Macedo

states that these tokens should also fall outside the scope of the order as they are no longer owned by Ready Maker (Gibraltar) Limited, which merely acts as a custodian until the tokens vest to the rightful recipients. She also states that around 150 million tokens are locked in liquidity pools for trading through platforms such as ‘Token Table’ to maintain market stability.

31. When the matter last came before the court on 12 February 2025, Ms Macedo had provided no specific examples of any of these SAFTs or other agreements. Since then, she has produced her second witness statement that exhibits several redacted agreements that appear to pre-date the launching of the token generation event on 10 December 2024 when the tokens were put on the blockchain. Ms Macedo provides a table at paragraph 36 of her second witness statement setting out seventeen transactions by reference to Contractor A to Contractor Q. These tokens total just under 82 million.
32. It seems to me that when one looks at all these figures they do not stack up, and that some tokens appear to be unaccounted for.
33. Ms Keane submitted that a proper understanding of the crypto space would explain why the discrepancy exists and that it is wrong to approach this matter arithmetically. That may well be the case, but she was unable to develop that submission further and fill this gap. Further, she was unable to draw a clear connection between these 309 million tokens and any specific contracts providing for vesting or similar arrangements.
34. In the circumstances, the court cannot take this part of the Defendants’ application further and provide guidance one way or another on these 309 million tokens. The position is simple: if tokens are allocated, then the Defendants are not required to transfer them to Damex under the terms of the order. If, however, the tokens are not allocated and the Defendants do not transfer them to Damex, they will be in breach of the order.

35. Before moving on, I would like to make one observation arising from the BaseScan statement exhibited to Mr Jaffe's second witness statement. This shows that 89,999,999.9469 tokens are still being held in the 0x48c wallet, referred to in schedule D of the order, and which have not been transferred to Damex. As Ms Keane accepted, there is no evidence before the court that those tokens are allocated, nor have the Defendants sought to amend the part of the order that provides for the transfer of the tokens in the 0x48c wallet. I cannot see why those tokens have not been transferred to Damex.

The third issue: retention of unallocated tokens

36. Ms Macedo states that Ready Maker (Gibraltar) Limited also needs access to its business capital for its ongoing business operations, including payment to employees, contractors, and other third parties including business development and marketing. Ms Macedo states that if all the unallocated tokens are transferred to Damex, the company cannot function.
37. Permission is accordingly sought for Ready Maker (Gibraltar) Limited to be allowed to use a portion of its working capital, namely 28,256,138 tokens held in wallet 0x5E0F, for its business operations. The Defendants estimate that this will be sufficient to tide the company over until the hearing on 3 and 4 April 2025.
38. In support of this part of the application, Ms Macedo exhibits a redacted MOU, and a spreadsheet to her second witness statement which refers to two business MOUs. That spreadsheet appears to suggest that a total of 12,570,000 tokens are required to comply with the company's business commitments. Ms Macedo also refers in general terms and very briefly to further ongoing projects requiring an additional 13 million tokens or so, and states that this is all required for the company's ongoing growth and strategy.

39. It seems to me that the evidence regarding the need to retain some 28 million tokens to ensure that operations continue between now and 3 April 2025 when the matter next comes before the court is very thin. In particular, specific deadlines for the payments that might be due in the next six weeks or so before the matter next comes before the court are not given.
40. In her oral submissions, Ms Keane also stressed the adverse consequences that might flow from Ready Maker (Gibraltar) Limited not having sufficient token capital to operate between now and April. She referred to chaos ensuing in the company and the company having to dismiss staff members. As Ms Keane accepted, however, that is not referred to in Ms Macedo's witness statements, which focus on the importance of the company continuing to develop its partnerships.
41. There is, however, the question of the token holders. The 'Dexscreener' screenshot appears to confirm that there are over 19,000 token holders. If the company does not have any working capital, a reasonable inference to draw is that the company will be adversely affected, and that the token holders might well be prejudiced. In my view, that is also a relevant consideration when weighing up the balance of convenience.
42. It seems to me, therefore, that the proper course in all the circumstances is to allow Ready Maker (Gibraltar) Limited to use up to 15 million tokens from the 0x5E0F wallet for its ongoing legitimate business operations between now and the hearing on 3 and 4 April 2025. The Defendants can always return to court if this proves to be insufficient, but much firmer evidence will be needed than what has been produced so far in that regard if the matter is to be taken further.

Conclusion

43. The variation application is granted as follows:

- (1) The existing tension between the definition section in the order and schedule D should be resolved to ensure that it is clear that the order applies only to unallocated tokens. The order should be modified accordingly.
- (2) The 68,213,211.652 tokens held in the 0x4343 wallet should be deleted from schedule D of the order on the basis that they are allocated tokens.
- (3) Ready Maker (Gibraltar) Limited is permitted to use up to 15 million tokens held in the 0x5E0F wallet for its legitimate business operations pending the hearing in April 2025.

44. I would be grateful if counsel could draft an order to reflect the terms of this judgment.

John Restano

Puisne Judge

Date: 20 February 2025