



**IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION**

CAUSE NO. FSD of 2023 ()

BETWEEN:

POA NETWORKS LTD

Plaintiff

AND

(1) BINANCE HOLDINGS LIMITED

First Defendant

(2) NEST SERVICES LIMITED

Second Defendant

WRIT OF SUMMONS

TO: BINANCE HOLDINGS LIMITED formerly c/o International Corporation Services Ltd, Harbour Place, 2nd Floor, North Wing, 103 South Church Street, George Town, Grand Cayman KY1-1106, Cayman Islands.

NEST SERVICES LIMITED of House of Francis, Room 303, Ile Du Port, Mahe, Seychelles.

THIS WRIT OF SUMMONS has been issued against you by the above-named Plaintiff in respect of the claim set out on the next page.

Within 14 days after the service of this Writ on you, counting the day of service, you must either satisfy the claim or return to the Court Office, P.O. Box 495G, George Town, Grand Cayman, the accompanying Acknowledgement of Service stating therein whether you intend to contest these proceedings.

If you fail to satisfy the claim or to return the Acknowledgement within the time stated, or if you return the Acknowledgement without stating therein an intention to contest the proceedings, the Plaintiff may proceed with the action and judgment may be entered against you forthwith without further notice.

Issued this 21st day of December 2023.

THIS WRIT OF SUMMONS was issued by Carey Olsen, Attorneys for the Plaintiff, whose address for service is Level 1, Willow House, Cricket Square, Grand Cayman, Cayman Islands, KY1-1001 (Ref: PS/JD/1083953.0001).

NOTE this Writ may not be served later than 4 calendar months (or, if leave is required to effect service out of the jurisdiction, 6 months) beginning with the date of issue unless renewed by order of the Court.

IMPORTANT

Directions for Acknowledgment of Service are given with the accompanying form.

IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION

CAUSE NO. FSD of 2023 ()

BETWEEN:

POA NETWORKS LTD

Plaintiff

AND

(2) BINANCE HOLDINGS LIMITED

First Defendant

(2) NEST SERVICES LIMITED

Second Defendant

STATEMENT OF CLAIM

Parties

1. At all material times the Plaintiff is and has been a company incorporated in the Cayman Islands with registration number 327912 incorporated on 9 October 2017.
2. At all material times the First Defendant is and has been a company incorporated in the Cayman Islands with registration number 326889 incorporated on 12 September 2017.
3. The Second Defendant is a company incorporated under the laws of the Republic of Seychelles with registration number 238045.

Binance's business

4. At all material times, the First Defendant has owned and operated a centralized virtual asset exchange ("**the Binance Exchange**") for the trading of cryptocurrencies and the listing of new cryptocurrencies and tokens thereon.
5. Alternatively, on a date not currently known to the Plaintiff but which fell after the events pleaded at paragraphs [6] to [17] below, the ownership and operation of the Binance Exchange was transferred from the First Defendant to the Second Defendant (directly or indirectly). In this Statement of the Claim, the Defendants together with their affiliates and associates are collectively referred to as "**Binance**". The Plaintiff reserves the right to amend this Statement of Claim following discovery, including by the joining of additional parties, Binance having failed and refused in pre-action correspondence to identify which entity operated the Binance Exchange and/or which entity contracted with the Plaintiff.
6. In or around 2017 Binance launched the cryptocurrency "Binance Coin" ("**BNB**").

The Listing of the Plaintiff's Token

7. In or around late 2017 the Plaintiff launched a new blockchain based digital token known as the 'POA Token' ("**the Token**").
8. In or around late 2017, the Plaintiff wished to have the Token listed on the Binance Exchange.
9. In or around late 2017 Mr Igor Barinov of the Plaintiff was introduced to a representative of Binance called Ashley Ouyang ("**Ashley**").
10. Mr Barinov (on behalf of the Plaintiff) and Ashley (on behalf of Binance) spoke by Skype on 18 December 2017 about what the Plaintiff needed to do in order to apply for the listing of the Token on the Binance Exchange. During that call Mr Barinov was told by Ashley that the Plaintiff should:
 - (1) Register a user account on the Binance Exchange;

- (2) Submit relevant KYC to Binance;
 - (3) Acquire and deposit 45,000 BNB into the said user account;
 - (4) Wait for a decision from Binance on the listing thereafter.
11. At no material time was Mr Barinov told that Binance would charge for listing the Token, and the Plaintiff did not at any time agree that it would pay for the said listing. Indeed, Mr Barinov's understanding at all material times was that Binance did not charge for listing.

Listing of the Token on the Binance Exchange

12. In accordance with what Mr Barinov had been told by Ashley, the Plaintiff:
- (1) Registered for an account on the Binance Exchange, and account ID 15739271 ("**the Account**") was opened with Binance on or around 21 December 2017;
 - (2) Supplied KYC to Binance on or around 22 December 2017;
 - (3) Deposited a total of 316 Ether (the native token of the Ethereum blockchain network) to the Account in two transactions on or about 21 December 2017;
 - (4) Used the said Ether deposited to the Account to purchase an aggregate of 47,107 BNB on the Binance Exchange on 21 and 22 December 2017 ("**the Deposited BNB**").

The Debit

13. On 22 December 2017, 45,000 BNB were debited from the Account ("**the Debit**") by or at the behest of Binance, and appropriated to its own use.

14. The Debit was made by Binance without seeking the Plaintiff's oral or written instructions to do so and without the Plaintiff's authorisation for the same.

Listing of the Token

15. The Token was listed on the Binance Exchange on or around 28 February 2018.

The Account

16. At all material times from 21 December 2017, aside from the Debit, transactions took place on the Account at the Plaintiff's behest and with its authority.

Demands for return of the Debit

17. By letters dated 14 September 2022 and 19 December 2022 the Plaintiff requested the return of the 45,000 BNB (*i.e.* the Debit) ("**the Demand**").
18. Binance has failed to return, and continues at the date hereof to fail to return, the 45,000 BNB as requested.
19. On or about 29 October 2021 Binance announced that it would delist the Token (amongst others) from the Binance Exchange with trading ceasing on 5 November 2021. On or about 5 May 2022 Binance delisted the Token from the Binance Exchange.

Trust

20. The Deposited BNB comprised property owned in equity at all material times by the Plaintiff and was held on the Binance Exchange on a bare trust for the Plaintiff.

21. Alternatively, it was the intention of the Plaintiff and Binance at all material times that the Deposited BNB should not become part of the general assets of Binance, but should be used exclusively to effect only those payments / transactions instructed and authorised by the Plaintiff. In the premises, the Deposited BNB were held on the Binance Exchange at all material times on a *Quistclose* trust for the Plaintiff.
22. The Debit was a breach of trust by Binance, and Binance is liable to account for the 45,000 BNB, and/or to pay the Plaintiff equitable compensation for the same.

Particulars

- (i) The Plaintiff claims the value of 45,000 BNB at the date hereof or at the date of trial such other date as the Court thinks appropriate.
- (ii) The value of 45,000 BNB will be the subject of expert evidence.

Contract

23. Further and/or alternatively, by reason of the matters aforesaid:
 - (1) Binance made an offer to the Plaintiff to list the Token during the conversation between Mr Barinov and Ashley on 18 December 2017;
 - (2) The Plaintiff accepted that offer by its conduct by registering for the Account and/or undertaking the other steps set out in paragraph 12 herein;
 - (3) The Plaintiff gave consideration for Binance's promise to list the Token, by acquiring and depositing at least 45,000 BNB to the Account.
24. In the premises, a contract ("**the Contract**") was concluded between the Plaintiff and Binance on 21 or 22 December 2017.

25. The following were implied terms of the Contract:

- (1) that Binance would return, on demand, the 45,000 BNB; and/or
- (2) that Binance would not make any withdrawals from the Account without the Plaintiff's express authority and prior agreement.

26. It is the Plaintiff's case that each such term is reasonable and equitable, necessary to give business efficacy to the Contract and/or so obvious that it went without saying.

27. In breach of the Contract, Binance:

- (1) failed to restore the 45,000 BNB following the Demand; further or alternatively,
- (2) withdrew the Debit and appropriated it to its own use.

28. The Plaintiff claims and is entitled to damages for breach of contract.

Particulars

- (i) The Plaintiff claims the US\$ value of 45,000 BNB at the date hereof, at the date of trial or such other date as the Court thinks appropriate.
- (ii) The value of 45,000 BNB will be the subject of expert evidence.

Interest

29. Further, the Plaintiff claims compound (alternatively simple) interest on such sum or sums and with such rests as the Court may think appropriate pursuant to the Court's inherent equitable jurisdiction alternatively section 34(1) of the Judicature Act (2021 Revision) at such rate or rates and for such period as the Court thinks appropriate.

AND THE PLAINTIFF CLAIMS:

1. All necessary accounts and inquiries into what has become of the 45,000 BNB, and payment of such sums as may be due, and/or equitable compensation for breach of trust.

2. Damages.

3. Interest.

4. Further or other relief.

5. Costs.

Dated this 21st day of December 2023

A handwritten signature in black ink that reads "Gary Olsen". The signature is written in a cursive style and is positioned above a horizontal line.

CAREY OLSEN
Attorneys-at-Law for the Plaintiff

**DIRECTIONS FOR ACKNOWLEDGMENT OF SERVICE
OF WRIT OF SUMMONS**

1. The accompanying form of Acknowledgment of Service should be completed by an Attorney acting on behalf of the Defendant or by the Defendant if acting in person.

After completion it must be delivered or sent by post to the Law Courts, PO Box 495G, George Town, Grand Cayman, KY1-1106, Cayman Islands.

2. A Defendant who states in his Acknowledgment of Service that he intends to contest the proceedings must also serve a Defence on the Attorney for the Plaintiff (or on the Plaintiff if acting in person).

If a Statement of Claim is indorsed on the Writ (i.e. the words "Statement of Claim" appear on the top of page 2), the Defence must be served within 14 days after the time for acknowledging service of the Writ, unless in the meantime a summons for judgment is served on the Defendant.

If the Statement of Claim is not indorsed on the Writ, the Defence need not be served until 14 days after a Statement of Claim has been served on the Defendant.

If the Defendant fails to serve his Defence within the appropriate time, the Plaintiffs may enter judgment against him without further notice.

3. A Stay of Execution against the Defendant's goods may be applied for where the Defendant is unable to pay the money for which any judgment is entered. If a Defendant to an action for a debt or liquidated demand (i.e. a fixed sum) who does not intend to contest the proceedings states, in answer to Question 3 in the Acknowledgment of Service, that he intends to apply for a stay, execution will be stayed for 14 days after his Acknowledgment, but he must, within that time, issue a Summons for a stay of execution, supported by an affidavit of his means. The affidavit should state any offer which the Defendant desires to make for payment of the money by installments or otherwise.

See overleaf for Notes for Guidance

Notes for Guidance

1. Each Defendant (if there are more than one) is required to complete an Acknowledgment of Service and return it to the Courts Office.
2. For the purpose of calculating the period of 28 days for acknowledging service, a writ served on the Defendant personally is treated as having been served on the day it was delivered to him.
3. Where the Defendant is sued in a name different from his own, the form must be completed by him with the addition in paragraph 1 of the words "sued as (the name stated on the Writ of Summons)".
4. Where the Defendant is a FIRM and an attorney is not instructed, the form must be completed by a PARTNER by name, with the addition in paragraph 1 of the description "Partner in the firm of (.....)" after his name.
5. Where the Defendant is sued as an individual TRADING IN A NAME OTHER THAN HIS OWN, the form must be completed by him with the addition in paragraph 1 of the description "trading as (.....)" after his name.
6. Where the Defendant is a LIMITED COMPANY the form must be completed by an Attorney or by someone authorized to act on behalf of the Company, but the Company can take no further step in the proceedings without an Attorney acting on its behalf.
7. Where the Defendant is a MINOR or a MENTAL PATIENT, the form must be completed by an Attorney acting for a guardian ad litem.
8. A Defendant acting in person may obtain help in completing the form at the Courts Office.

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POA NETWORKS LTD

Plaintiff

AND

(1) BINANCE HOLDINGS LIMITED

First Defendant

(2) NEST SERVICES LIMITED

Second Defendant

ACKNOWLEDGMENT OF SERVICE

OF WRIT OF SUMMONS

If you intend to instruct an Attorney to act for you, give him this form IMMEDIATELY.

Important. Read the accompanying directions and notes for guidance carefully before completing this form. If any information required is omitted or given wrongly, THIS FORM MAY HAVE TO BE RETURNED.

Delay may result in judgment being entered against a Defendant whereby he may have to pay the costs of applying to set it aside.

-
1. State the full name of the Defendant by whom or on whose behalf the service of the Writ is being acknowledged.

[●]

2. State whether the Defendant intends to contest the proceedings (tick appropriate box)

yes

no

3. If the claim against the Defendant is for a debt or liquidated demand, AND he does not intend to contest the proceedings, state if the Defendant intends to apply for a stay of execution against any judgment entered by the Plaintiff (tick box)

yes

no

Service of the Writ is acknowledged accordingly

(Signed) _____

Attorneys-at-Law for the []

Please complete overleaf

Notes on address for service

Attorney: where the Defendant is represented by an attorney, state the attorney's place of business in the Cayman Islands. A Defendant may not act by a foreign attorney.

Defendant in person: where the Defendant is acting in person, he must give his post office box number and the physical address of his residence or, if he does not reside in the Cayman Islands, he must give an address in Grand Cayman where communications for him should be sent. In the case of a limited company, "residence" means its registered or principal office.

Indorsement by plaintiffs' Attorney (or by plaintiff if suing in person) of his name, address and reference, if any, in the box below.

Carey Olsen
Level 1, Willow House
Cricket Square, George Town
Grand Cayman, Cayman Islands
Ref: PS/JD/1083953.0001

Indorsement by defendant's Attorney (or by defendant if suing in person) of his name, address and reference, if any, in the box below.