

Court File No. CV-23-00092340-00CP

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

TAYLAN MCRAE-YU

Plaintiff/Responding Party

and

PROFITLY INCORPORATED, DMCB HOLDINGS INC., IVAN AVRAMENKO,  
ALEXANDRA STINSON, and JOHN DOE

Defendants/Moving Parties

Proceeding under *The Class Proceedings Act, 1992*

**MOTION RECORD**

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September 1, 2023

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Inc., Ivan Avramenko, Alexandra Stinson,  
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Court File No. CV-23-00092340-00CP

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

BETWEEN:

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# TAB 1

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**ONTARIO  
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Proceeding under *The Class Proceedings Act, 1992*

**NOTICE OF MOTION**

The Defendants, Profitly Incorporated, DMCB Holdings Inc., Ivan Avramenko, Alexandra Stinson and John Doe, will make a Motion to a Judge on Tuesday, November 14, 2023 at 10:00 a.m., or as soon after that time as the Motion can be heard.

**PROPOSED METHOD OF HEARING:** The Motion is to be heard

In writing under subrule 37.12.1(1) because it is  
[insert on consent, unopposed or made without notice];

In writing as an opposed motion under subrule 37.12.1(4);

In person;

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[ ] By telephone conference;

[X] By video conference.

**THE MOTION IS FOR**

- (a) An Order setting aside the Mareva Injunction Order made by Justice Hooper on June 23, 2023;
- (b) An Order directing that the assets listed in Schedule “A” of the Mareva Injunction Order of Justice Hooper dated June 23, 2023, be released to the Moving Parties, forthwith, for the purposes of business expenses and day-to-day business operations;
- (c) An Order directing that the entities/assets listed in Schedule “B” of the Mareva Injunction Order of Justice Hooper dated June 23, 2023 be unfrozen and released to the Moving Parties, forthwith, for the purposes of business expenses and day-to-day business operations;
- (d) In the alternative, an Order varying the Mareva Injunction Order made by Justice Hooper on June 23, 2023 by requiring the Plaintiff/Responding Party to make an undertaking as to damages;
- (e) The costs of this motion, if opposed: and
- (f) Such further and other Relief as to this Honourable Court may seem just.

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**THE GROUNDS FOR THE MOTION ARE**

- (g) The Plaintiff has failed to present *prima facie* evidence that the Moving Parties are parties to a fraudulent scheme and/or fraudulent misrepresentation;
- (h) There is no evidence that the Moving Parties will remove their assets from their jurisdiction or that there is any risk of dissipation of assets;
- (i) The Plaintiff has presented no *prima facie* evidence that the Moving Parties are attempting to leave the Canadian jurisdiction;
- (j) The Plaintiff failed to make full and frank disclosure of all material facts within the Plaintiff's knowledge when requesting the *ex parte* Mareva;
- (k) The Plaintiff failed to establish irreparable harm would result if the Mareva Injunction Order is lifted; consequently, the Mareva Order should be set aside;
- (l) The Moving Parties require funds and assets, including funds and assets in cryptocurrency, NFT or any other digital asset format, in order to pay for business expenses and business operations;
- (m) The balance of convenience favours the Moving Parties;
- (n) Rules 1, 2, 3.02, 37.14, 57 and 59.06 of the *Rules of Civil Procedure*;
- (o) Section 101 of the *Courts of Justice Act*;

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- (p) Such further and other grounds as the lawyers may advise.

**THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the Motion:

- (a) The Affidavit of Ivan Avramenko sworn on September 1, 2023
- (b) Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

September 1, 2023

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TO: **DELAWYER PROFESSIONAL CORPORATION**  
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Taylan Mcrae-Yu

TAYLAN MCRAE-YU  
Plaintiff/Responding Party

-and- PROFITLY INCORPORATED et al.  
Defendants/Moving Parties

Court File No. CV-23-00092340-00CP

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT  
OTTAWA

**NOTICE OF MOTION**

**CAMBRIDGE LLP**

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4th Floor  
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Avramenko, Alexandra Stinson, and John Doe

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## **TAB 2**

Court File No. CV-23-00092340-00CP

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

TAYLAN MCRAE-YU

Plaintiff/Responding Party

and

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ALEXANDRA STINSON, and JOHN DOE

Defendants/Moving Parties

**AFFIDAVIT OF IVAN AVRAMENKO**

I, Ivan Avramenko, of the City of Belleville, in the Province of Ontario, MAKE OATH

AND SAY:

1. I am one of the Defendants in this proceeding, and, as such, have knowledge of the matters contained in this Affidavit. Where the facts herein are based on information I have received from others, I state the source of that information and verily believe it to be true.

**Parties**

2. Profitly Incorporated ("**Profitly**") is a corporation incorporated pursuant to the laws of Ontario.
3. DMCB Holdings Inc. ("**DMCB**") is a corporation incorporated pursuant to the laws of Ontario.

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4. Ivan Avramenko (“**Ivan**”) is an individual residing in the Province of Ontario. Ivan is, *inter alia*, an entrepreneur with experience in technology startup companies.
5. Alexandra Stinson (“**Alexandra**”) is an individual who resides in the city of Belleville, Ontario. Contrary to the allegations at paragraph 27 of the Statement of Claim, Alexandra is not a co-founder of the Boneheads NFT project (“**Boneheads**”).
6. I have reviewed the Plaintiff’s Statement of Claim, the Plaintiff’s Motion Record dated June 7, 2023, the Order of Justice Hooper dated June 15, 2023 for the granting of a Mareva Injunction (the “**Order**”), the revised Order of Justice Hooper dated June 23, 2023, and the Endorsements of Justice Hooper dated June 15 and June 23, 2023, respectively (the “**Endorsements**”).
7. The allegations made by Taylan McCrae-Yu (the “**Plaintiff**”) in the statement of claim, and in particular, in the Plaintiff’s affidavit sworn on June 6, 2023 (the “**McCrae-Yu Affidavit**”) in support of his motion for the Order, are inaccurate.
8. In this affidavit, I address only those matters relevant to my motion to set aside the Order.

## **Overview**

9. I first heard about crypto currency in or around 2016, at which point I had purchased approximately \$500 worth of Ethereum.

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10. I founded Boneheads in an effort to connect the world of fashion and non-fungible tokens (“**NFT’s**”).
11. Boneheads has been in development for just over two years.

### **Non-Fungible Tokens**

12. NFT’s are cryptocurrency-based assets which are created through a process called “minting”. Minting is when the individual information of an NFT gets recorded onto a publicly accessible database, called a blockchain. Once an NFT has been minted, it is given a unique identification number which allows it to be distinguishable from other NFTs. This identification number is what allows an NFT to be sold, exchanged, or traded between owners. The NFT’s ownership details are also stored onto it, which includes the details of the individual or company that designed it.
13. The value of an NFT (after the initial sale) is attributed to a token on a case-by-case basis since every token is considered unique, therefore, a single value/price cannot be applied to an entire collection of tokens, rather only to a specific token or set of tokens – this price is determined by the customer. It is a free market. A floor price does not indicate value for an entire collection of tokens, it simply indicates the lowest available price for a specific individual token.

### **The Boneheads NFT**

14. In or around early 2021, DMCB launched Boneheads.

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15. Alexandra has never been involved in the development or conceptualization of the Boneheads project, nor has she ever been paid for Boneheads related work.
16. The smart contract for the Boneheads NFT was opened for public minting on August 20, 2021. The mint sold out on the same day. This mint was successful due to hard work on the part of my team and the team of developers that were retained to develop the project and the creators of the NFT designs. The Plaintiff has embarked on a smear campaign against Boneheads. In fact, I am worried that the Plaintiff's unsubstantiated allegations are what will cause damage to other Bonehead NFT purchasers as a whole.
17. DMCB hired blockchain developers to assist with the engineering side of Boneheads.
18. The developers performed various tasks to assist with the development of the project, including *inter alia*, art design, app designs, and website design. There were various facets of the project, which required different expertise, therefore, the developers were essential to the development of the project.
19. Each Bonehead NFT represented a specific piece of art. The sale was a surprise blind mint, which is standard practice, therefore, none of the purchasers knew which specific piece of art they were getting. The surprise aspect is part of the appeal for customers, since they have an opportunity to have a rare token. The Plaintiff was aware of this before the sale took place. That is the reason he purchased over 36 tokens with the hope of obtaining a rare Bonehead NFT. There

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is an implicit risk in purchasing tokens that is well known to purchasers. For example, some individuals who purchased a Bored Ape Yacht Club NFT were lucky as that NFT ended up being worth upwards of \$500,000.00. Attached at **Exhibit “A”** are copies of various Boneheads NFTs.

### **Boneheads’ Benefits (the “Benefits”)**

20. Boneheads marketed six Benefits that customers could receive with each Boneheads NFT purchase. At the time the Benefits were presented, they were not yet completed. Boneheads made it clear to the public that their Benefits were not yet ready to be launched, by posting a general description for each Benefit as a way to inform potential Bonehead purchasers of potential Benefits once the Benefits were finalized. In no way was the marketing of these Benefits an official offer to potential purchasers. Attached at **Exhibit “B”** is a copy of each Benefit description.
21. Boneheads was marketed primarily through the social media website Discord (“**Discord**” or the “**Boneheads Discord**”). Discord is a popular platform where users are able to, among other things, communicate with the Bonehead NFT community through instant messaging. Discord is a way for the Boneheads team to answer any questions pertaining to their NFTs or to make announcements with respect to upcoming releases.
22. At one point, the Boneheads Discord channel had over 6,000 active members. These members were keen on purchasing a Bonehead NFT due to the numerous



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unique tokens that Boneheads had to offer. The Plaintiff was one of those purchasers.

23. Since 2021, there have been over 4,000 instant messages shared between myself, and the Boneheads Discord community. These messages pertained to, among other things, potential deadlines for new NFT releases, the preview of new products, discussions regarding future releases, and discussions regarding the direction of the company.
24. At all material times the Discord Community was able to exchange ideas with the Boneheads team, including providing input on the progress of the project. In fact, the Boneheads team communicated anticipated changes to the platform, which were well received by the Bonehead Discord Community.

Benefit 1 – Lifetime Membership (“Benefit 1”)

25. Benefit 1 would give Bonehead purchasers a lifetime access to the Bonehead cabana, digital collectibles, and unlimited access to the Bonehead forging headquarters, which is where purchasers could forge their own physical and digital collectibles.
26. Benefit 1 reads as follows:

OWNING A BONEHEAD GRANTS YOU A LIFETIME MEMBERSHIP (AS LONG AS YOU HOLD IT IN YOUR WALLET) TO THE CABANA, THE FORGING HQ, WHERE YOU WILL BE ABLE TO FORGE PHYSICAL AND DIGITAL COLLECTIBLES.

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27. The Bonehead team has not made any details pertaining to Benefit 1 publicly available. The planned public release for Benefit 1 is January 1, 2025. Attached at **Exhibit “C”** is a copy of screenshots that show the development history of Benefit 1.
28. The Boneheads Discord community was made aware of the fact that Benefit 1 is not yet complete. Attached at **Exhibit “D”** is a copy of screenshots with the Boneheads Discord community regarding Benefit 1.

#### Benefit 2 – Exclusive Forging (“Benefit 2”)

29. Benefit 2 would give Bonehead purchasers exclusive forging rights. Forging is when purchasers can redesign their NFTs in a manner that is tailored towards their own preference. The more Bonehead NFTs people bought, the more forging rights they would be given.
30. Benefit 2 reads as follows:

ONLY USERS HOLDING A #BONEHEAD IN THEIR WALLET WILL BE ABLE TO MINT/FORGE AN "X" (TBD) AMOUNT OF ITEMS FROM EACH COLLECTION DROP - THIS NUMBER WILL FLUCTUATE DEPENDING ON THE QUANTITY THAT IS PRODUCED. THE MORE #BONEHEAD THAT YOU OWN, THE MORE ITEMS YOU WILL BE ABLE TO FORGE. THERE WILL BE CONTINGENCIES ATTACHED TO THE ITEMS THAT YOU ARE PERMITTED TO FORGE. IF YOUR SPECIFIC #BONEHEAD LACKS AN ATTRIBUTE (SUCH AS A ZEBRA-PATTERNED BUCKET HAT), YOU WILL NOT BE ABLE TO FORGE THE PHYSICAL ITEM ASSOCIATED WITH THIS ATTRIBUTE. YOU WILL HAVE TO ACQUIRE A #BONEHEAD THAT HAS THIS PARTICULAR ATTRIBUTE/TRAIT/ITEM THROUGH THE SECONDARY MARKET IN ORDER TO FORGE THIS PHYSICAL COLLECTIBLE - THIS WILL DRIVE SPECULATION AND PRODUCE A NEW ELEMENT TO YOUR #BONEHEADS RARITY, THUS CREATE A MORE DYNAMIC ASSET CLASS. PHYSICAL COLLECTIBLES (COMMODITIES) WILL HAVE A QR CODE THAT WILL VERIFY THEIR AUTHENTICITY ON-CHAIN, FOREVER. \*\*WHERE'S THE FUN IN STUNTING AND FLEXING IN THE METAVERSE IF YOU CAN'T STUNT THE SAME WAY IN REAL LIFE?\*\*  
PHYSICAL + DIGITAL = #NOMOREFAKES, #BONEHEADSFOREVER.

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31. No timeline was established or communicated for the completion of Benefit 2. A “tbd” indicator was clearly marked under the description of Benefit 2. Purchasers were well aware that Benefit 2 was an idea that was still being developed.
32. Further, it was stated in the description of Benefit 2 that contingencies would be attached to the items purchasers would be permitted to forge.

Benefit 3 – Claimables (“Benefit 3”)

33. Benefit 3 would allow Bonehead purchasers to have access to claimables that were not yet available on the Bonehead NFT Roadmap (the “**Roadmap**”). This Benefit was designed to give purchasers an unprecedented experience with the purchase of their Bonehead NFT.
34. Benefit 3 reads as follows:  
  
TOKEN HOLDERS WILL HAVE ACCESS TO SEVERAL CLAIMABLE THAT WE CURRENTLY HAVE ON THE ROADMAP (SPOILER ALERT: BABY BONES). STAY TUNED. \*TX = TRANSACTION GAS PAID BY MINTER (YOU).
35. There was no publicly stated timeline of completion for Benefit 3. The scheduled completion date for Benefit 3 is sometime in early 2024.

Benefit 4 – App Access (“Benefit 4”)

36. Benefit 4 would allow Bonehead purchasers priority access in testing upcoming apps before they would be made public.
37. Benefit 4 reads as follows:

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TOKEN HOLDERS WILL BE THE FIRST TO HAVE AN OPPORTUNITY TO ACCESS AND TEST OUR CONSUMER-FACING AVATAR CREATION APP DURING THE BETA RELEASE. THIS APP WILL ALLOW YOU TO CREATE A PERSONAL AVATAR FOR YOURSELF USING AN EXPANSIVE CATALOG OF CLOTHING AND ACCESSORIES TO SUIT YOUR UNIQUE STYLE. #BONEHEADSFOREVER.

38. There was no publicly stated release date for Benefit 4. Attached at **Exhibit “E”** is a copy of screenshots that show Benefits 4 is live.

Benefit 5 – Behind the Scenes (“Benefit 5”)

39. Benefit 5 would allow Bonehead purchasers behind the scenes access to Bonehead products, including but not limited to, sculptures, accessories, playing cards and other Bonehead collectibles.

40. Benefit 5 reads as follows:

TOKEN HOLDERS WILL GET EXCLUSIVE BEHIND-THE-SCENES ACCESS THROUGHOUT THE ENTIRE MANUFACTURING PROCESS FOR ALL OF OUR ITEMS -- THIS INCLUDES BUT IS NOT LIMITED TO: SCULPTURES, AREA RUGS, AND ACCESSORIES SUCH AS PLAYING CARDS, ASHTRAYS, BOXING GLOVES, GARMENTS, AND OTHER COLLECTIBLES. #BONEHEADSFOREVER.

41. Bonehead Discord members have seen previews of Benefit 5 and have been given previews of both physical and non-physical samples of Benefit 5.

Benefit 6 – Voting Rights (“Benefit 6”)

42. Benefit 6 would grant Bonehead purchasers voting rights with respect to the manufacturing of various Bonehead products.

43. Benefit 6 reads as follows:

TOKEN HOLDERS AND THE #BONEGANG COMMUNITY WILL VOTE AND PROVIDE FEEDBACK THROUGHOUT THE SAMPLING PROCESS WHILE WE

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TEST THE FABRICS, TEXTILES, AND PATTERNS THAT WILL EVENTUALLY BE PLACED INTO PRODUCTION. WE WILL PROVIDE YOU WITH A THOROUGH BREAKDOWN OF THE TIMELINES, AND THE ENTIRE MANUFACTURING PROCESS FROM START TO FINISH - EVERYTHING WILL BE DOCUMENTED AND SHARED WITH OUR #BONEGANG COMMUNITY. #BONEHEADSFOREVER.

44. The aforementioned Benefits were presented with the view of Bonehead purchasers owning NFTs for a long period of time. Purchasers knew that the Benefits would be available for long term holders of the NFT's. In fact, the Benefits are only available to purchasers who hold on to their NFT's in their wallets and do not sell them, although Benefits could later be bought from the secondary market.
45. Ultimately, the purchasers of Bonehead products were purchasing what they deemed to be a valuable art piece. Value is created by the purchasers based on the market. Many purchasers bought a Bonehead NFT strictly because of the art, which is standard practice in the NFT space. Any other Benefits were for long term holders of the NFT. Those purchasers knew that many of the Benefits would take time to materialize.

### **No Prima Facie Case to Renew the Order**

#### The Plaintiff's Failure to provide Full and Frank Disclosure

46. The Plaintiff failed to make full and frank disclosure in the McCrae-Yu Affidavit.

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Bonehead Roadmap

47. Contrary to paragraph 29 of the Plaintiff's Affidavit, Boneheads did not promise purchasers of a Bonehead NFT an ambitious Roadmap. This was an overstatement by the Plaintiff.
48. In fact, contrary to paragraph 41 of the McCrae-Yu Affidavit, the Roadmap was not a binding promise. The Roadmap was a list of NFT endeavors that Boneheads had considered creating but was never a fixed product offering.
49. Contrary to paragraph 42 of the McCrae-Yu Affidavit, the early 2022 opening of the Boneheads Flagship Store in early 2022 was never a set date. Boneheads made it clear to potential purchasers that any opening dates were subject to change. In addition, the opening of the Flagship Store was in no way related to any of the Bonehead sale offerings and was never part of the Boneheads Benefits or the Roadmap. This was a new ambition that was never communicated before the sale of the NFTs.
50. The items contained within the Roadmap were meant to show people interested in purchasing a Bonehead NFT which direction Boneheads was going in and which products Boneheads may attempt to develop over time. There were never any dates, timelines or pricing attached to any of the listed items within the Roadmap. Bonehead Discord users understood this. Attached at **Exhibit "F"** is a copy of the Roadmap.

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51. Boneheads has not completed the full Roadmap due to the complexity of building the physical products associated with the Bonehead brand. The Roadmap is not an NFT. Applications and physical collectibles can take years to develop. In addition to the physical collectibles and applications, the DMCB Inc. team have also been developing in stealth a collection of 10,000 uniquely drawn characters. This development can take years to complete, especially when a single character can take upwards of one to four hours to create.

#### Bonehead Giveaways

52. In paragraph 30 of the McCrae-Yu Affidavit, the Plaintiff states that Boneheads had promised token holders that: 1) token holders will have an opportunity to participate in a secondary credit sale for a chance to win \$1,000,000.00, and; 2) one randomized token holder will get a monetary mystery box valued at \$250,000.00 (the “**Giveaways**”). Contrary to these assertions by the Plaintiff, these Giveaways were never listed on the Bonehead webpage, nor were they ever part of the original smart contract, which is the immediate delivery of the NFT to the customer upon the purchase of a Bonehead NFT (the “**Smart Contract**”). Further, the \$1,000,000.00 giveaway the Plaintiff referred to was not a monetary prize, but rather a credit sale. The credit sale only happened if there was 100% interest by token holders. Thus far there has not been 100% interest by token holders, and thus, the credit sale was unsuccessful.

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The Plaintiff's Unconscionable Behaviour

53. Contrary to paragraph 38 of the McCrae-Yu Affidavit, the Plaintiff was in direct violation of the Bonehead Discord Rules (the "**Rules**"). As Discord can be accessed and used by members of the public, Discord requires all users to abide by their Rules. Failure to abide by the Rules may result in a temporary and/or permanent termination from Discord. The Plaintiff violated a number of the Rules set out in **Exhibit "G"**.
54. The Plaintiff made false and damaging statements about Boneheads via Discord (the "**Plaintiff's Violations**"). The Plaintiff's Violations were discovered by Discord moderators that were assigned to monitor the Bonehead Discord channel. The Plaintiff was warned about making false allegations about Boneheads and other users. However, he continued to be disruptive on Discord. As a result, the Plaintiff was temporarily banned from the Bonehead Discord community and his interactions with other Bonehead Discord users was limited. The Plaintiff's Discord server was slower because the Boneheads team slowed down the Discord due to the volume of inquiries and activity. As a result of the Plaintiff's disruptive behaviour, the Plaintiff's Discord server was likely "slower" than other users as this is a Discord safety mechanism to protect other users from disruptive users.
55. As a result of the Plaintiff's Violations, I could have blacklisted his NFT tokens and limited his overall ability to interact with the Boneheads Discord community.



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However, I chose not to as I wanted to give him another opportunity to remedy his behaviour. As such, the Plaintiff is still able to redeem Benefits.

56. I verily believe that the Plaintiff's statements in paragraph 38 of the Affidavit are a selective exclusion of relevant information.

The Plaintiff did not incur a loss

57. Contrary to the Plaintiff's allegations in the McCrae-Yu Affidavit, the Plaintiff has not suffered any loss.
58. The Plaintiff currently holds tokens for the Bonehead NFT and has not yet sold those tokens to the secondary market.
59. If the Plaintiff sold his tokens to the secondary market and experienced a loss in value as a result, such a loss is in no way due to the actions of Boneheads. The value of NFT's is dictated by the secondary market, which had slowed down significantly. The Plaintiff has not shown that he has suffered a loss that was caused by Boneheads. In light of the volatile secondary market, many NFT owners have experienced losses. Attached at **Exhibit "H"** are copies of documents showing declining NFT values in the secondary market. The NFT landscape is very new. As a result, there is an inherent risk in purchasing NFT's. Similar to investing in stocks, there is always a risk that the value will drop since value is dictated by the secondary market. This was not the Plaintiff's first NFT purchase, which is evidenced through his wallet activity. As such, the Plaintiff was well aware of the potential risks when purchasing Bonehead NFTs. I believe the Plaintiff's

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allegations towards myself, and the rest of the Boneheads team were made out of frustration with the secondary market as a whole.

### **No Assets at Risk of Dissipation**

60. Contrary to paragraph 59 of the McCrae-Yu Affidavit, there has been no rug pull. Unlike real rug pulls, Bonehead's website is still live and active, the Defendants have not disappeared, and many of the Roadmaps have been in active development and are currently being delivered.
61. By falsely communicating to the public that the project is a rug pull, the Plaintiff is dissuading other people from purchasing the NFT's. Purchasers now avoid purchasing the Bonehead NFT's as a direct result of the Plaintiff's conduct. If the Plaintiff is suffering damage, which is denied, it is due to his own conduct.
62. Contrary to the statements made by the Plaintiff at paragraphs 64-80 of the McCrae-Yu Affidavit, there is no risk of dissipation of assets.
63. Contrary to the Plaintiff's allegations at paragraph 66 of the McCrae-Yu Affidavit, I have not moved any funds from the Bonehead address into centralized exchanges for the purposes of dissipating assets.
64. After funds had been received by purchasers of the Bonehead NFT, they were immediately dispersed into a wallet controlled by myself (the "**Bonehead Wallet**"). This is common practice of the majority of NFT project leaders. The business leaders need funding in order to develop various deliverables.

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65. Further, 15% of all funds are immediately dispersed to developers through an automatic function that releases 15% of all Bonehead sales proceeds directly from the Bonehead Wallet to the developers. This function was built directly into the functionality of the Smart Contract. If this withdraw function was not present in the Smart Contract, then the funds for developers would be stuck in the Smart Contract forever.
  
66. The Bonehead project developers, who are world class developers and who have handled several NFT projects, created the Smart Contract to automatically disburse the funds to the three wallets. Wallet 1 was a developer wallet, which contained 10% of the funds. Wallet 2 was another developer wallet, which contained 5% of the funds. Wallet 3 was the Boneheads wallet, which contained 85% of the funds. This was the most efficient way to conduct the development of the Bonehead NFT. If the funds were not moved to a wallet controlled by DMCB, the funds would be inaccessible, which would impede on project development. In addition, as illustrated above, funds were moved in order to pay project developers. The Plaintiff has insufficient knowledge with respect to how NFT deposits work, and as such, the Plaintiff's claims are unfounded.
  
67. The funds that were sent from the Bonehead Wallet to centralized exchanges were transactions for payments and salaries of Bonehead employees, among other things. As such, those transfers cannot be considered to be a dissipation of funds.

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68. Further, when salary transactions were sent from centralized exchanges to personal bank accounts, a portion of those funds were used to operate the Bonehead business on an ongoing basis. This was done in order to finance development of the deliverables, which is common practice not just in the NFT world, but in the business world as well. Operating expenses included paying contractors, developers, and purchasing other digital assets, such as content and domains.
69. As a result of the Plaintiff's Mareva order, the Defendants' business has been significantly hampered. As mentioned above, due to the Plaintiff's allegations, it is likely that many people may be dissuaded from purchasing the NFT's, but not as a result of the Defendants' conduct, but rather, as a result of the Plaintiff's own conduct.
70. In addition, on July 7, 2023, the Plaintiff and/or his affiliates published the defamatory statements about the Bonehead Project. Specifically, the Plaintiff stated as follows:

"1/ Investigating the \$3.1m rug pull @BONEHEADS and the breadcrumbs left behind by the team into how the money has actually been spent...

2/ The project was launched by an anon team on August 20th 2021 with a supply of 10k NFTs and mint price of 0.1 ETH per NFT. It advertised various roadmap items such as physical collectibles, future NFT drops, item giveaways, gallery, & more...

-18-

3/ As you can guess with most rugs the team quickly became inactive just weeks after minting out This is evidenced by zero posts on the Instagram, zero tweets in almost 6 months, Banned holders in the discord, & Discord verification bot hasn't been functional in almost 6 months...

4/ A decent chunk of proceeds from the mint were sent to @krakenfx @coinbase exchange accounts...

5/ The rest was used to purchase NFTs such as BAYC, Crypto Punks, MAYC, Clone X, and more. 0x8C0fF426dFa77A87Be3729456D1D27fdC8F2DE5F. Meanwhile the team hadn't even paid @NFTLabTeam fully for contract dev work...

6/ Now here's where it gets interesting. A while back before launch the team had an email list you could subscribe to with an address listed for Boneheads...

7/ The address on the site was linked to two entities in Canada with the same address 'Profitly' & 'DMCB Holdings' which had been registered just days after Boneheads minted out...

8/ The corporation 'Profitly' listed two names, Alexandra (LexiBone) & Ivan (IvyBone) as the board of directors. Most damning of all was Alexandra posted about Boneheads on her TikTok before the project had been formally announced on June 18th 2021...

-19-

9/ Other TikTok videos exist of her flexing luxury trips, designer clothes shopping, and a Gwagon all after the project had raised \$3.1m...

10/ Earlier this week @0xTay\_ reached out to me to share they were looking to potentially start a class action lawsuit against the Bonehead team.

11/ If you are a victim please leave a comment below this thread.”

**\*\*Disclaimer: advising Chainabuse and invested in Breadcrumbs\*\***

71. As a result of the aforesaid disparaging remarks, instead of helping the class, the Plaintiff is harming them. If putative class members attempt to sell their NFT's they will be reluctant to do so as a result of the Plaintiff's conduct. As illustrated above, this is not a rug pull. The Boneheads website is live. Boneheads has not vanished. They have not absconded, as is common with "rug pulls". They are and have been developing the Boneheads NFT and the associated products.
72. I have maintained communication with Discord Members and have attempted to maintain the confidence of the community.
73. I swear this affidavit in support of my motion to set aside the Order so I can continue to run Boneheads efficiently and effectively.

-20-

**SWORN** by Ivan Avramenko of the City of Belleville, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on September 1, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



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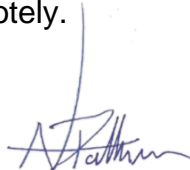
Commissioner for Taking Affidavits  
(or as may be)

**NICHOLAS PATTERSON**

---

**IVAN AVRAMENKO**

This is Exhibit "A" referred to in the Affidavit of Ivan Avramenko sworn by Ivan Avramenko of the City of Belleville, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on September 1, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

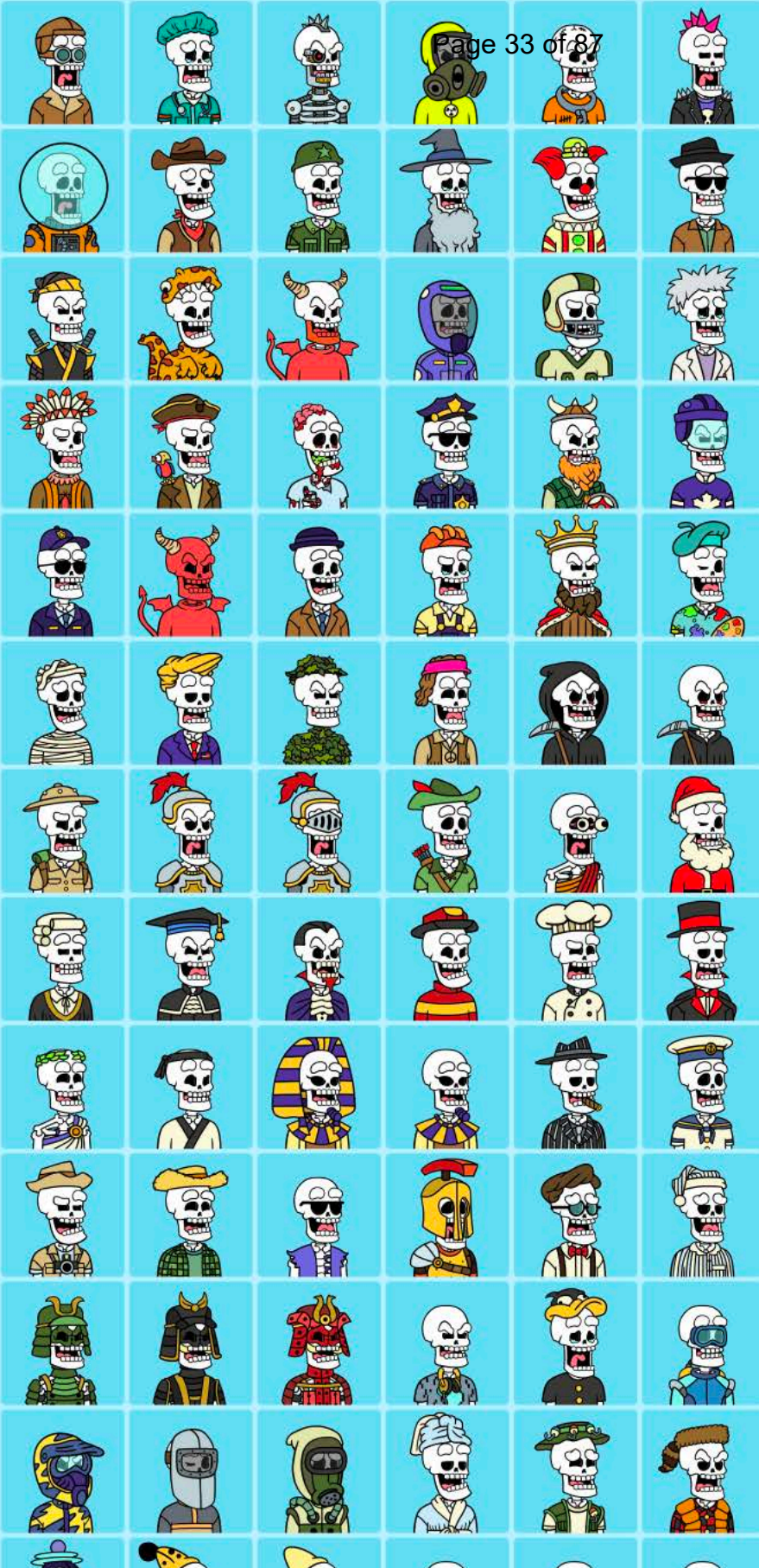


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*Commissioner for Taking Affidavits (or as may be)*

**NICHOLAS PATTERSON  
(LSO# 85639U)**











This is Exhibit "B" referred to in the Affidavit of Ivan Avramenko sworn by Ivan Avramenko of the City of Belleville, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on September 1, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



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*Commissioner for Taking Affidavits (or as may be)*

**NICHOLAS PATTERSON  
(LSO# 85639U)**



# BENEFITS





**OWNING A #BONEHEAD GRANTS YOU A LIFETIME MEMBERSHIP (AS LONG AS YOU HOLD IT IN YOUR WALLET) TO THE CABANA, THE FORGING HQ, WHERE YOU WILL BE ABLE TO FORGE PHYSICAL AND DIGITAL COLLECTIBLES.**

## **2 - EXCLUSIVE FORGING**

**ONLY USERS HOLDING A #BONEHEAD IN THEIR WALLET WILL BE ABLE TO MINT/FORGE AN "X" (TBD) AMOUNT OF ITEMS FROM EACH COLLECTION DROP - THIS NUMBER WILL FLUCTUATE DEPENDING ON THE QUANTITY THAT IS PRODUCED. THE MORE #BONEHEAD THAT YOU OWN, THE MORE ITEMS YOU WILL BE ABLE TO FORGE. THERE WILL BE CONTINGENCIES ATTACHED TO THE ITEMS THAT YOU ARE PERMITTED TO FORGE. IF YOUR SPECIFIC**

**#BONEHEAD** HAS AN ATTRIBUTE (SUCH AS A **TRAIT**), YOU WILL NEED TO MINT A BONEHEAD FORGE THE PHYSICAL ITEM ASSOCIATED WITH THIS ATTRIBUTE. YOU WILL HAVE TO ACQUIRE A #BONEHEAD THAT HAS THIS PARTICULAR ATTRIBUTE/TRAIT/ITEM THROUGH THE SECONDARY MARKET IN ORDER TO FORGE THIS PHYSICAL COLLECTIBLE - THIS WILL DRIVE SPECULATION AND PRODUCE A NEW ELEMENT TO YOUR #BONEHEADS RARITY, THUS CREATE A MORE DYNAMIC ASSET CLASS. PHYSICAL COLLECTIBLES (COMMODITIES) WILL HAVE A QR CODE THAT WILL VERIFY THEIR AUTHENTICITY ON-CHAIN, FOREVER. \*\*WHERE'S THE FUN IN STUNTING AND FLEXING IN THE METAVERSE IF YOU CAN'T STUNT THE SAME WAY IN REAL LIFE?\*\* PHYSICAL + DIGITAL = #NOMOREFAKES, #BONEHEADSFOREVER

### 3 - CLAIMABLES

**TOKEN HOLDERS WILL HAVE ACCESS TO SEVERAL CLAIMABLE THAT WE CURRENTLY HAVE ON THE ROADMAP (SPOILER ALERT: BABY BONES). STAY TUNED.**  
**\*TX = TRANSACTION GAS PAID BY MINTER (YOU)**



## **4 - APP ACCESS**

**TOKEN HOLDERS WILL BE THE FIRST TO HAVE AN OPPORTUNITY TO ACCESS AND TEST OUR CONSUMER-FACING AVATAR CREATION APP DURING THE BETA RELEASE. THIS APP WILL ALLOW YOU TO CREATE A PERSONAL AVATAR FOR YOURSELF USING AN EXPANSIVE CATALOG OF CLOTHING AND ACCESSORIES TO SUIT YOUR UNIQUE STYLE. #BONEHEADSFOREVER**

## **5 - BEHIND THE SCENES**

**TOKEN HOLDERS WILL GET EXCLUSIVE BEHIND-THE-SCENES ACCESS THROUGHOUT THE ENTIRE MANUFACTURING PROCESS FOR ALL OF OUR ITEMS -- THIS INCLUDES BUT IS NOT LIMITED TO: SCULPTURES,**



**AREA PUGS AND ACCESSORIES SUCH AS DRIVING  
A ? ; , H N BOXING GLOVES, G MINT A BONEHEAD  
OTHER COLLECTIBLES. #BONEHEADSFOREVER**

## **6 - VOTING RIGHTS**

**TOKEN HOLDERS AND THE #BONEGANG COMMUNITY WILL VOTE AND PROVIDE FEEDBACK THROUGHOUT THE SAMPLING PROCESS WHILE WE TEST THE FABRICS, TEXTILES, AND PATTERNS THAT WILL EVENTUALLY BE PLACED INTO PRODUCTION. WE WILL PROVIDE YOU WITH A THOROUGH BREAKDOWN OF THE TIMELINES, AND THE ENTIRE MANUFACTURING PROCESS FROM START TO FINISH - EVERYTHING WILL BE DOCUMENTED AND SHARED WITH OUR #BONEGANG COMMUNITY. #BONEHEADSFOREVER**

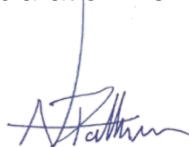
# #BONEHEADSFO MINT A BONEHEAD

 MINT A BONEHEAD



© 2021 BONEHEADS

This is Exhibit "C" referred to in the Affidavit of Ivan Avramenko sworn by Ivan Avramenko of the City of Belleville, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on September 1, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.




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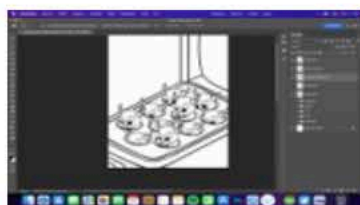
*Commissioner for Taking Affidavits (or as may be)*

**NICHOLAS PATTERSON  
(LSO# 85639U)**

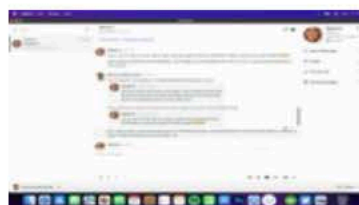
Total: 1:30 hrs   Tracked (1:30 hrs)

UTC / 12 hs 


 12:00 AM - 12:20 AM (0:20 hrs)

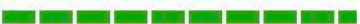


12:00 AM

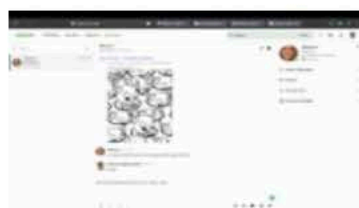


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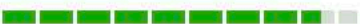
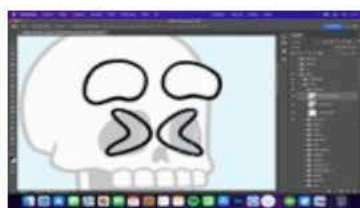
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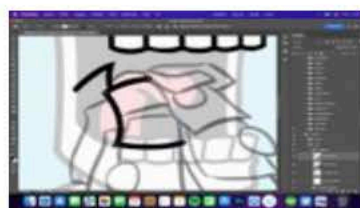
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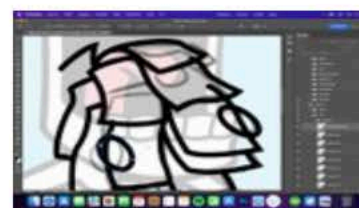
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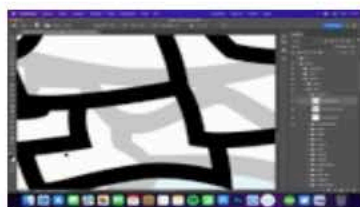
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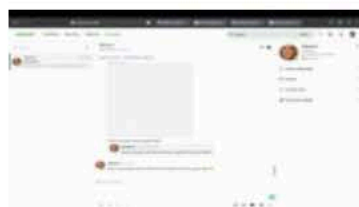
1:00 AM



1:10 AM



1:20 AM



1:30 AM

# Work Diary

## < June 2022 >

Mon	Tue	Wed	Thu	Fri	Sat	Sun
30	31	1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
<b>27</b>	<b>28</b>	<b>29</b>	<b>30</b>	<b>1</b>	<b>2</b>	<b>3</b>

## Jun 27 - Jul 3

Mon, 6/27		0:00 hrs >
Tue, 6/28		4:30 hrs >
Wed, 6/29		5:50 hrs >
Thu, 6/30		6:30 hrs >
Fri, 7/1		5:20 hrs >
Sat, 7/2		6:50 hrs >
Sun, 7/3		3:30 hrs >

Tracked 	Manual 	Over limit 	Total amount
32:30 hrs	0:00 hrs	0:00 hrs	<b>\$975.00</b>
			(32:30 hrs @ \$30.00/hr)



Last 24 hours

0:00 hrs

Last worked 9 months

# Work Diary

< Jun

Mon Tue Wed

30 31 1

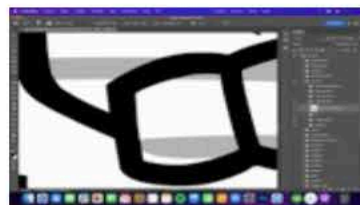
6 7 8

13 14 15

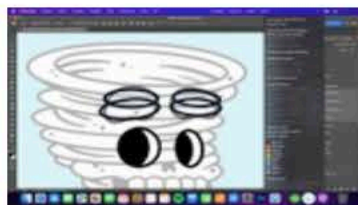
20 21 22

27 28 29

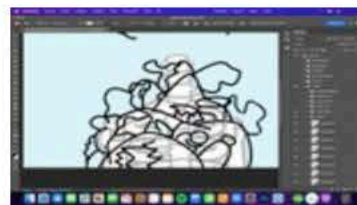
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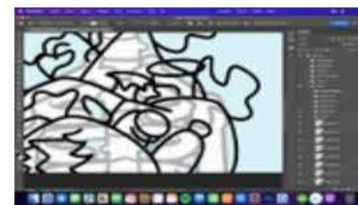
1:40 AM



1:50 AM



2:00 AM



2:10 AM



2:20 AM



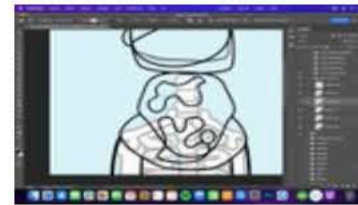
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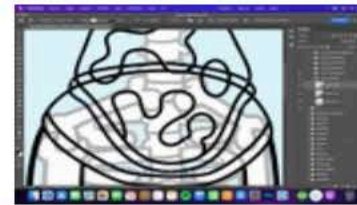
2:40 AM



2:50 AM

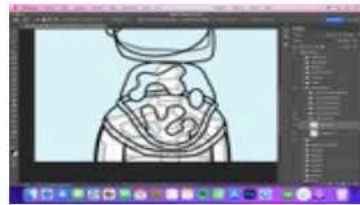


3:00 AM



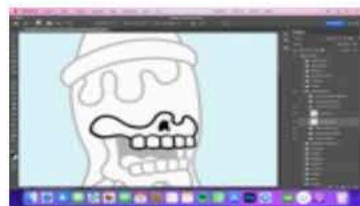
3:10 AM

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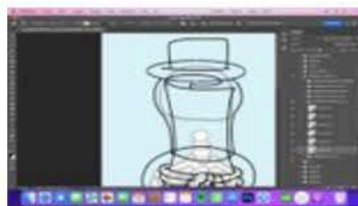


1:50 PM

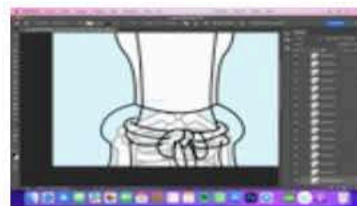
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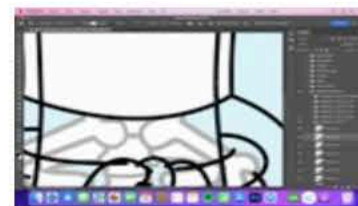
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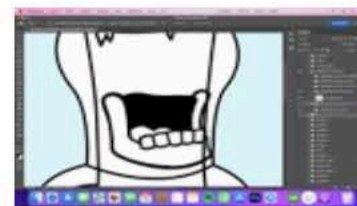
2:20 PM



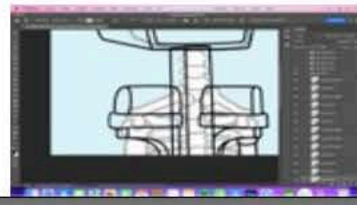
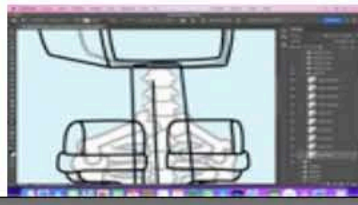
2:30 PM



2:40 PM



2:50 PM





HOME/NEXT AUCTION ...



AUCTIONS - bonehead...



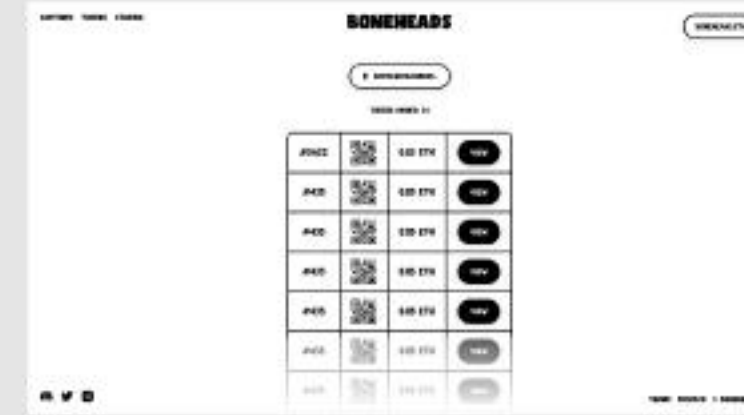
TOKENS - boneheads.a...



TOKENS - boneheads.a...



WALLET - boneheads.a...



TERMS - boneheads.art...



HOME/NEXT AUCTION ...





# Version history



## Current version

## Offline sync After syncing changes

Ivan

4 days ago

## Offline sync Before syncing changes

Ivan

4 days ago

## 19 autosave versions ▾

Jun 6, 10:47 AM

Ivan

Jun 6, 10:38 AM

Ivan

Jun 6, 9:07 AM

Ivan

Jun 6, 8:52 AM

Ivan

Jun 6, 7:06 AM

Ivan

Jun 6, 6:37 AM

Ivan

Jun 5, 6:55 PM

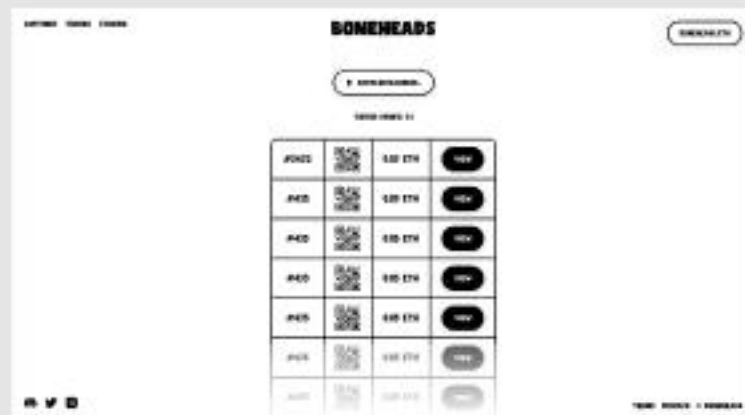
Ivan



a... TOKENS - boneheads.a...



WALLET - boneheads.a...



TERMS - boneheads.art...





Jun 5, 6:55 PM

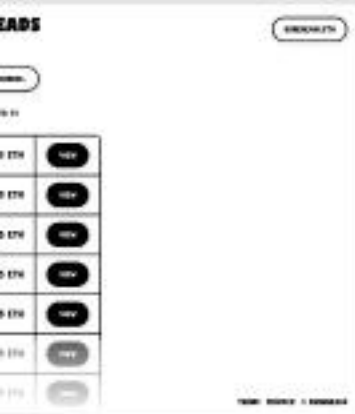
 Ivan

Jun 5, 6:27 PM

 Ivan

neheads.a...

TERMS - boneheads.art...



Jun 5, 5:35 PM

 Ivan

Jun 5, 3:50 PM

 Ivan

Jun 5, 11:39 AM

 Ivan

Jun 4, 12:53 PM

 Ivan

Jun 4, 12:48 PM

 Ivan

Jun 4, 12:19 PM

 Ivan

Jun 4, 10:56 AM

 Ivan

Jun 4, 8:22 AM

 Ivan

heads.art...



Ivan  
17 days ago

Offline sync  
Before syncing changes

Ivan  
17 days ago

6 autosave versions ▾

Jun 3, 5:37 PM

Ivan

Jun 3, 4:21 PM

Ivan

Jun 3, 8:49 AM

Ivan

Jun 3, 8:12 AM

Ivan

Jun 3, 7:51 AM

Ivan

Jun 3, 4:20 AM

Ivan

Show older



# TERMS - boneheads.art...



Jun 1, 8:15 AM

 Ivan

Jun 1, 5:09 AM

 Ivan

May 31, 5:24 PM

 Ivan

May 30, 11:36 AM

 Ivan

May 29, 10:24 AM

 Ivan

May 29, 10:17 AM

 Ivan

May 28, 3:47 PM

 Ivan

May 28, 3:09 PM

 Ivan

May 28, 2:47 PM

 Ivan

May 28, 11:45 AM

 Ivan



Apr 27, 6:30 PM

 Ivan

Apr 27, 5:23 PM

 Ivan

Apr 27, 5:08 PM

 Ivan

Apr 27, 5:18 AM

 Ivan

Apr 26, 7:46 PM

 Ivan

Apr 26, 7:23 PM

 Ivan

Apr 26, 6:50 PM

 Ivan

Apr 26, 6:15 PM

 Ivan

Apr 26, 1:44 PM

 Ivan

○ Apr 26, 11:32 AM

 Ivan

Show older



TERMS - boneheads.art...





# BONEHEADS



**547D:3H:4FFM:34S**

**ENTER**

**BONEHEADS IS A CONTRADICTIONARY AND PERPETUAL EXPLORATION OF HUMANITY THROUGH THE DEPICTION OF CONTROVERSIAL EXPRESSIONS AND DESTRUCTIVE EXPERIMENTS THAT INTENTIONALLY AIM TO ELICIT EMOTIONAL DISSONANCE USING UNINTENTIONALLY TRIGGERING IMAGERY. THE MANIFESTATION OF BONEHEADS INTENDS TO QUESTION THE ETHICAL VALIDITY OF BEHAVIOURS THAT ARE PRESENTLY ACCEPTED AS MORALLY CORRECT. THE CONVERGENCE AND CONTRADICTIONARY BALANCING OF MORTALITY, EVOLUTION, FREEDOM OF NATURAL EXPRESSION, AND COGNITIVE DISSONANCE COLLECTIVELY REVEAL THE INTENTIONALITY IN CONCEPT BY HAVING AN INVERSE FUNCTION ON COLLECTIBILITY AND DISTRIBUTION MECHANICS THROUGH TRANSCENDENCE. THE NOMENCLATURE HAS LITERAL AND FIGURATIVE FOUNDATIONS SYMBOLIZING MORTALITY AND EQUALITY THROUGH ANATOMIC SIMILARITY, AND EVOLUTION THROUGH TRANSGRESSIONS. THE FOUNDATIONAL STRUCTURING OF THE BONEHEADS MARK DEPICTS AN EXTREME FORM OF EXALTED AWARENESS OF MORAL CONSCIOUSNESS THROUGH NET NEGATIVE MANIFESTATIONS: A TEMPORARY STATE OF SHOCK IN RESPONSE TO REGRESSIONS; EMOTIONAL RESPONSE IS A CONTRADICTION. AUCTIONS ARE THE DETERMINED MEDIUM OF EXCHANGE, WITH EACH AUCTION CONSISTING OF 100 IDENTICAL EDITIONS OF A BONEHEADS MARK ITERATION PRINTED ON A BLANK ARTICLE; MARK ITERATIONS ARE EXPRESSED WITHOUT SUPPRESSION OF ANY KIND. UPON AUCTION INITIATION, AUCTIONS PROCEED TO OCCUR ON THE FIRST DAY OF EACH MONTH IN PERPETUITY, WITH EACH MONTH CONSISTING OF A UNIQUE BONEHEADS MARK ITERATION; COMPLETE COLLECTIBILITY IS DETERMINED IMPOSSIBLE FOR ANY CONSCIOUS LIVING HUMAN. AUCTION DURATIONS ARE LIMITED TO 24 HOURS. THE ADDITIVE REPRODUCTION OF A MINIATURE COMPANION ARTICLE SYMBOLIZES THE FUNDAMENTAL LAWS OF GENETIC INHERITANCE AND OFFERS A CONSCIOUS INTERPRETATION OF EVOLUTION AND THE NATURAL LIFE CYCLE; AN EXISTENTIAL REMINDER THAT THERE WAS A TIME WHEN YOU COULD FIT INTO AN ARTICLE OF SUCH SIZE AND THAT ONE DAY A REPRODUCTION OF YOURSELF COULD AS WELL. ADDITIONALLY, IT INTENDS TO EVOKE CONSIDERATION FOR FUTURE GENERATIONS; IMPERMANENT INDIVIDUAL COLLECTIBILITY IS ULTIMATELY TRANSCENDED THROUGH GENERATIONAL INHERITANCE. THE FOUNDATIONAL STRUCTURE OF THE ITERATIVE SKULL DOES NOT CHANGE ENTIRELY; MUCH LIKE REPRODUCTIONS, IT MORPHS, EVOLVES, REGRESSES, AND SYNDICATES. WHILE THE ITERATIVE SKULL IS PRINTED ON A BLANK CANVAS, THE EXTENT TO WHICH FOUNDATIONAL PRINCIPLES ARE HARDWIRED INTO A HUMAN'S GENETICS REMAINS UNKNOWN. THE DISTRIBUTION MECHANICS SYMBOLIZE HUMANS' NATURAL LIFE CYCLES AND INCLINATION FOR UNCOVERING THE MEANING OF LIFE THROUGH TRUTH SEEKING AND GREATER INTELLIGENCE; GOD SHAPED HOLES NIHILISTICALLY GRASPING FOR MEANING IN SEARCH OF PERMANENCE — TRANSCENDENCE OF INDIVIDUAL IMPERMANENCE IS ACCOMPLISHED THROUGH MEMORIES OF EXISTENCE, EXPERIENCE, AND CONTRIBUTION BEING ABSORBED INTO A COLLECTIVE CONSCIOUSNESS THAT WILL ENDLESSLY EVOLVE; BONEHEADS; FOREVER.**

This is Exhibit "D" referred to in the Affidavit of Ivan Avramenko sworn by Ivan Avramenko of the City of Belleville, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on September 1, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.





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*Commissioner for Taking Affidavits (or as may be)*


**NICHOLAS PATTERSON  
(LSO# 85639U)**




 @Dreuseff AKA BONE Brawler 0.1 ETH is like \$200


 BONESTAR 03/21/2023 10:09 AM


we reduced it to \$0/0Ξ

 @BONEMEISTER What if you can only buy 1 thing per Bonehead and after you use it to claim something, metadata for the BH is "claimed" doesn't need to only be shirts b


 BONESTAR 03/21/2023 10:10 AM

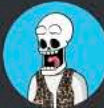
great point, but the auction itself creates the scarcity, not the auction tokens, trying to attribute value to access tokens should remain an afterthought as opposed to creating tokenomics that hinder the value of the access tokens in the long-run (edited)

 @BONEMEISTER What if you can only buy 1 thing per Bonehead and after you use it to claim something, metadata for the BH is "claimed" doesn't need to only be shirts b

 BONESTAR 03/21/2023 10:13 AM

the key is only making 100 t-shirts per month, forever, no other products - that just conflates the product offering and hinders the value of the t-shirts, even if marginally, it still affects it - if humans only have a 1/100 chances of be a BH in the physical world per month, that's insane scarcity - and that's should create an exponential demand bubble 🌊

 @Dreuseff AKA BONE Brawler Gives a per year token value of about \$25 or 0.015 unless there are strong resells or other reasons to hold NFT / increasing production or c

 BONESTAR 03/21/2023 10:14 AM

we're banking on HODL psychology for these, most probably won't even open the box, those that do will do so for clout

product = t-shirts


NFTs = access tokens


limited to 100x month

no reserve price

auctions run forever

until the end of ETH\*\*\*

 @Dreuseff AKA BONE Brawler Yeah that like what I said above - could just burn the token though so the scarcity increases base value even for those not participating in t

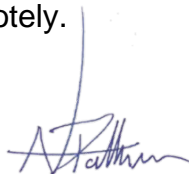
 BONESTAR 03/21/2023 10:16 AM

if 10,000 want to participate each month, that isn't a very high number assuming critical demand is met, 2K (our holdings) tokens are already guaranteed to be dormant, so it's really 8K in circulation, a percentage will hold ~10, ~5, and ~2+ to attempt to spread wallets to participate, if we assume an average distribution of 2x - that cuts it to 4K holders - and scarcity from product demand will translate into token scarcity in subtle ways

(edited)

another subtle differentiator is that all our provocative and overwhelmingly loud designs will only appear on the t-shirts, no marketing materials, no content, no PFPs, that way if anyone ever wants to brandish the brand they're forced to brandish the product

This is Exhibit "E" referred to in the Affidavit of Ivan Avramenko sworn by Ivan Avramenko of the City of Belleville, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on September 1, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



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*Commissioner for Taking Affidavits (or as may be)*

**NICHOLAS PATTERSON  
(LSO# 85639U)**



 MINT A BONEHEAD

HATS

TOPS

FACE

BOTTOMS

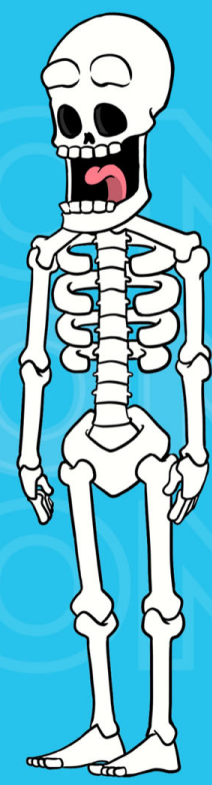
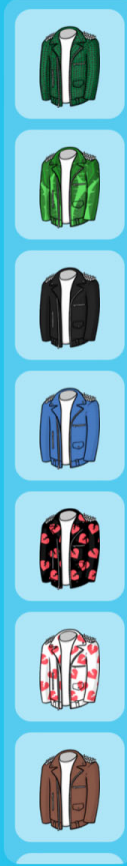
SHOES





 MINT A BONEHEAD

-  HATS
-  TOPS
-  FACE
-  BOTTOMS
-  SHOES







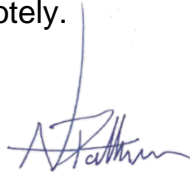
MINT A BONEHEAD

- HATS
- TOPS
- FACE
- BOTTOMS
- SHOES

BONEHEADS



This is Exhibit "F" referred to in the Affidavit of Ivan Avramenko sworn by Ivan Avramenko of the City of Belleville, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on September 1, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to read "N. Patterson", is written above a horizontal line.

*Commissioner for Taking Affidavits (or as may be)*

**NICHOLAS PATTERSON  
(LSO# 85639U)**



# ROADMAP



MINT A BONEHEAD

# CODE-BASED DIGITALS

**5% COMMUNITY WALLET**

**3D BONEHEADS**

**DYNAMIC LANDSCAPES**

**BoMA (BUNKER OF MODERN ART) = GALLERY**

**CLAIMABLES**

**BABY BONES**

**SPACEHEADS (ALIEN INVASION)**

**BONING = BREEDING**

**THE SPA = LIQUIDITY POOL**

**CONSUMER-FACING AVATAR APP**

**PARTNER SDK**

## **NFT POST-SALE PHYSICALS**

**MOUSE-PAD - 50 RANDOM #BONEHEADS WILL RECEIVE A FREE NUMBERED (+QR/NFC) MOUSE-PAD MATCHING THE EXACT FACIAL EXPRESSION OF YOUR #BONEHEAD TOKEN**








**#BONEHEADS WILL RECEIVE A FREE**  
**HOODIE (+QR/NFC) HOODIE MINT A BONEHEAD**

**AREA RUG - 10 RANDOM #BONEHEADS WILL RECEIVE A FREE NUMBERED (+QR/NFC) 4FT AREA RUG MATCHING THE EXACT FACIAL EXPRESSION OF YOUR #BONEHEAD RUG MATCHING THE EXACT FACIAL EXPRESSION OF YOUR #BONEHEAD**

**PAINTING - 5 RANDOM #BONEHEADS WILL RECEIVE A FREE NUMBERED (+QR/NFC) 40X60 (GALLERY DEPTH) PAINTING OF YOUR #BONEHEAD**

**VERIFICATION: EACH ITEM WILL COME NUMBERED AND IN A BEAUTIFULLY CRAFTED BRANDED MAGNETIC BOX, WITH EITHER A QR CODE OR AN NFC TAG TO VERIFY AUTHENTICITY ON-CHAIN. PHYSICAL + DIGITAL = #NOMOREFAKES #BONEHEADSFOREVER**



MINT A BONEHEAD

# PHYSICAL COLLECTIBLES

**5FT LIFESIZE SCULPTURES**

**2.4 FT SCULPTURES**

**4FT AREA RUGS**

**PLAYING CARDS**

**BOXING GLOVES**

**TRUCKER HATS**

**MINI BACKPACKS**

**PUFFER JACKETS**

**BIKER JACKETS**

**BOMBER JACKETS**

**T-SHIRTS**

**HOODIES**

**SLIDES**

**SOCKS**

# #BONEHEADSFOREVER



**MINT A BONEHEAD**

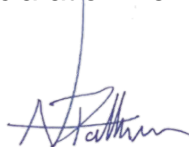


**MINT A BONEHEAD**



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This is Exhibit "G" referred to in the Affidavit of Ivan Avramenko sworn by Ivan Avramenko of the City of Belleville, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on September 1, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



---

*Commissioner for Taking Affidavits (or as may be)*

**NICHOLAS PATTERSON  
(LSO# 85639U)**



**BONESTAR** 07/30/2021 11:03 AM

👤👤👤 **WELCOME TO BONEHEADS** 👤👤👤

We want this server to be a place where you can feel excited and comfortable while discovering our ever-expanding fashion and technology based universe. Keep the server safe and welcoming by following these rules:

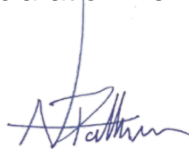
- 1) Do not leave [#👤 · initiation](#) without initiating 👤
- 2) No sexism, racism, or hate speech 👤
- 3) No personal attacks, don't be a troll 👤
- 4) No spamming, or NSFW content, graphic/gore content, or self-promotion 👤
- 5) No excessive talking about personal matters, being creepy, or disruptive 👤
- 6) No FUD, if you have weak hands politely GTFO 👤
- 7) No leaking any personal information such as private social media, private/personal images, or DMs 👤
- 8) Don't be toxic, you will be banned 👤
- 9) Respect the moderators and the staff 👤
- 10) If you have any questions contact the [@BONEMODS](#) 👤

After you've read these rules and have agreed to **RESPECT YOUR FELLOW BONE**, hop into [#👤 · general](#) and tell us a little bit about yourself 🍌

#BONEHEADSFOREVER (edited)

👍 187   🗑️ 49   👤 55   🍌 38   🔥 35   🏆 31   ❤️ 8   📺 8   🗨️ 8   🦋 5   🏠 5   🧑 3   🇨🇦 1

This is Exhibit "H" referred to in the Affidavit of Ivan Avramenko sworn by Ivan Avramenko of the City of Belleville, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on September 1, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

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*Commissioner for Taking Affidavits (or as may be)*

**NICHOLAS PATTERSON  
(LSO# 85639U)**

## Analysis

# NFT market crash unveils tech's limitations in addressing exploitative labor practices

The resounding crash of the NFT market, which aimed to revolutionize the art world in the digital age, may offer lessons about managing inflated expectations in the realm of AI. To prevent a similar scenario, it is crucial to ascertain whether a technological solution genuinely addresses a human need

Viki Auslender 09:14, 09.08.23

**TAGS:** [Blockchain](#) [NFT](#) [Analysis](#)

The NFT market continues its ongoing plunge, reminding us that we cannot trust technology to save us from the exploitative labor market. According to a report by Alchemy, NFT trading volume in July fell by 29%, compared to June, to \$632 million, and token sales fell by 23% to \$3.7 million. Overall, this market recorded a steep fall of 95% in trading volume from the record in January 2022, which reached \$17 billion.

Where will the trading exchanges get their income from? From those that this technology claims to save, of course - the artists. According to research firm Nansen, NFT exchanges have cut the royalty rates paid to artists when ownership is changed, hoping that the cost reduction will jump-start faltering trading levels. Since that trading record in January 2022, royalty rates have been cut dramatically to 0.6% for today's transaction compared to 5% a year and a half ago. Why does it matter, and what can the upheavals being experienced by the NFT market teach us about the relationship between technology, work and value?



The decline of NFTs (Credit: Yonatan Popper)

NFT is a device whose purpose is to answer the question of what ownership looks like in digital spaces. Technically, it is a certificate of authenticity on the blockchain system, which allows those who produce it to mark a certain digital asset as unique. The token comes in the form of a cryptocurrency, and every time that coin is sold its creator is supposed to receive royalties on the sale. This is in contrast to if a painter, for example, sells an oil painting they painted, then they will only receive their share in the initial sale. If the painting changes hands and is sold to different buyers, that painter will get nothing.

In the great hype of this technology, there were those who promised that it would change everything we imagine regarding property rights and copyrights, and empower those people who until now were "victims" of the

digital revolution and saw how their ability to make a profit in this world is being eroded. Anil Dash, the original creator of the idea, explained that the goal was to "protect artists" in the digital age, to give them the possibility to mark the ownership of an original work and thereby monetize this ownership.

"NFT is shaking up the art world," wrote Time and the New York Times; "NFT gives artists an opportunity to change their process of extinction," wrote Business Insider; "How artists can incorporate NFT and music to grow their brands," wrote Rolling Stone; And "this is how NFT can redefine the world of music," noted Forbes.

The relationship between the NFT market and the media was mutual. The large amount of speculative money that flowed into the field drove media interest, and the media interest contributed to the flow of additional capital into the field. In the middle were always artists, musicians, graphic designers, illustrators, screenwriters and others who had to adapt. This is the future, they were told in the NFT market; If they don't join, said the media, they will go extinct.

In short, only a very few have found wealth for themselves in the NFT market. These are not artists of any kind - but traders, trading exchanges, crypto companies and casual entrepreneurs who launched an NFT series just because of the public interest and the thought of claiming a piece of the prize. The reason that profits went mainly to the traders is simple - when the industry and the complementary products were developed, the artists were never asked about their needs, what their difficulties were or how they would define the basic framework. Perhaps if they had asked, they would have tried to develop a simpler and more accessible technology (which does not require tinkering with blockchain technology) or to develop less polluting tools, which include fewer intermediaries, which do not require activity in an unsupervised and fraudulent market, or which empowers the artist to set the royalty rate for themselves.

In recent months, a new type of machine learning technology has been deployed - an algorithm that is fed huge amounts of data, visual or textual, based on which it learns the probability of the order in which words and pixels appear in a convincing way. Models of this technology such as ChatGTP and Dall-E-2 succeed in the guesswork of synthesizing a "new" work. Now we are captives in a new hype cycle that includes one basic question: how can these models be used to influence the labor market, in finance, education, medicine, law and even the work of the government. These questions became the default so that immediately after the launch of the tools in question, analysts and research companies began to place large and tectonic numbers on the labor market.

#### Related articles:

- [From Metaverse to NFT: The disappointing tech hypes of 2022](#)
- ["NFT market participants need a clear signal that the technology is not a new shady area"](#)
- [Viral Israeli artists entering NFT space with 'xoxo'](#)

The consulting firm McKinsey, for example, determined in a report published last week that 12 million jobs will be eliminated or changed by 2030 due to these tools, and in total 30% of all working hours in the American economy will be automated. A Pew study from June determined that one in five jobs is at risk due to these tools, Goldman Sachs determined in March that the tools will lead to the replacement of 300 million jobs, and the research company Forrester announced last month that the tools will eliminate 32,000 jobs in the American advertising market by 2030, or 7.5% of it.

Without going into the validity of these numbers, and without mentioning that every decade or so we fear that everything we know will change in the next 10 years because of technology, it is important to remember that while research companies are busy explaining how artificial intelligence will eliminate jobs, and artificial intelligence companies that prioritize profit maximization are concerned with how to replace employees, we do not ask what would we want from the technology itself. When aggressive market forces repeatedly tell us that new technology will bring change, and ask us to imagine together how it will change, they push the human to the side and put the technology at the center as an inevitable event to which we only react.

One quote attributed to artist Laurie Anderson while working on an AI-related project says: "If you think technology will solve your problems, you don't understand technology—and you don't understand your problems." This means that technology does not exist in a vacuum. In this case the technology, whether algorithm or cryptography, is just mathematics. Mathematics can be perfect, but reality is not. Artificial intelligence can be "logical" or rational, but humans only sometimes are. Modern social systems have too many parts to simplify them into an equation or reduce them to the rule of an algorithm.





## X (formerly known as Twitter)

🕒 This article is more than 1 year old

# Man who paid \$2.9m for NFT of Jack Dorsey's first tweet set to lose almost \$2.9m

**'This is the Mona Lisa of the digital world', says crypto entrepreneur Sina Estavi who bought the NFT in March 2021**

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## Reuters

Thu 14 Apr 2022 18.49 BST

Crypto entrepreneur Sina Estavi made headlines in March 2021 when he paid \$2.9m for an NFT of Twitter boss Jack Dorsey's first tweet. But his efforts to resell it have run aground, with a top bid of just \$6,800 as of Thursday.

The initial purchase was at the time among the most expensive sales of a non-fungible token, or NFT, and came amid a flurry of interest in the niche crypto assets.

Estavi put the tweet up for resale on the popular NFT marketplace OpenSea last week, initially asking for \$48m.

That price tag was removed after offers in the first week were in the low hundreds of dollars. As of Thursday, the highest bid was 2.2 of the cryptocurrency ether - equivalent to about \$6,800.

“My offer to sell was high and not everyone could afford it,” Estavi told Reuters via Twitter direct message, adding that he was no longer sure if he would sell the NFT.

“It’s important to me who wants to buy it, I will not sell this NFT to anyone because I do not think everyone deserves this NFT,” Estavi said.

NFTs are a form of crypto asset which can record the ownership of a digital file such as an image, video or text.

There is no guarantee of an NFT’s value and the market is rife with scams, fraud, counterfeits and market manipulation.

But Estavi was confident in the value of his purchase.

“This NFT is not just a tweet, this is the Mona Lisa of the digital world,” he said.

Estavi, who lives in Malaysia, said he had been arrested last May during a trip to Iran. He was freed in February. Iranian state media reported in May 2021 that he was accused of “disrupting the country’s economic system”.

Estavi said he had been arrested because of the growth of his crypto exchange, Bridge Oracle.

Reuters was unable to independently verify these details.

“I need the support of the cryptocurrency community,” Estavi said.

While announcing the NFT sale in a tweet on 6 April, Estavi pledged to give 50% of the proceeds - which he expected to be at least \$25m - to charity.

He said the rest would go to support Bridge Oracle.

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HOME » CRYPTO NEWS » OPENSEA TRADING VOLUME DOWN 90% SINCE JANUARY

# OpenSea Trading Volume Down 90% Since January

 Author: Andrew Throuvalas • Last Updated Sep 1, 2022 @ 22:00

***NFT trading volume has fallen to a pittance of what it was in May. (NOTE: The title of this article was updated to more accurately portray the degree to which OpenSea trading volume has declined.)***

Think the cryptocurrency market has it rough? Take a look at what happened to non-fungible tokens – aka NFTs.

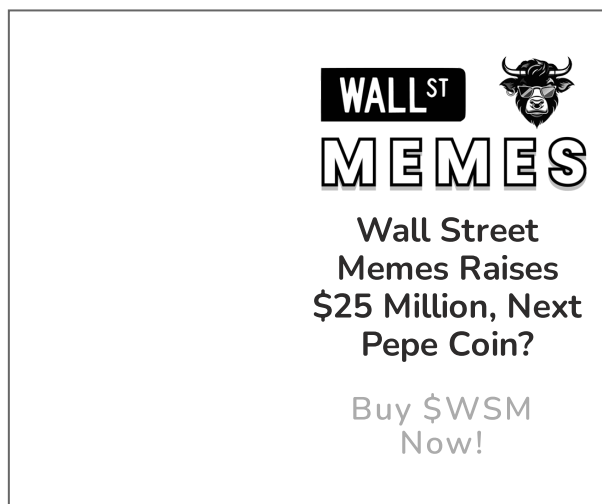
Data from DappRadar shows that trading volume at OpenSea – the world’s largest NFT marketplace – recently logged a daily volume figure that was down by 99% from its all-time high. While the company contested the figure to some degree, it admitted that the substantial slowdown in activity is both real and expected.

## The Sad State of NFTs

According to DappRadar’s statistics page, the daily trading volume of ETH at OpenSea peaked above \$400 million on May 1st. By comparison, the platform only generated \$5 million in ETH volume on August 28th.

In an email to CryptoPotato, OpenSea noted that the figure is a bit exaggerated, as it compares a day of unusually high volume to a day of some of the platform’s lowest volume. It also said that measuring volume in ETH, rather than dollars, was preferable to eliminate ETH’s price volatility from the equation.

Indeed, the magnitude of the volume decline decreases when denominated in ETH, a cryptocurrency that itself has fallen almost 50% since May 1st. According to Dune Analytics, OpenSea volume from May to July fell by 62%, but is heading for more pain in August.



The fallout continues a general downward trend that began in January. Monthly volume has fallen by 90% since then when denominated in dollars, and 82% when denominated in ETH.

Meanwhile, OpenSea's daily user count has fallen from 58,870 on January 9th to just 23,620 on August 27th. Daily transactions fell from 137,500 to just 53,300 across the same timeframe.

NFT floor prices – meaning the lowest value NFT in any given collection – have also tanked across the year. Bored Apes are now going for 72.4 ETH at the cheapest, compared to 153 ETH on April 30th, according to NFT Price Floor. Similarly, CryptoPunks has fallen from 84 ETH to 67 ETH since last month.

## OpenSea VS Crypto Winter

The crypto and NFT market slowdown have had a major effect on OpenSea's operations. In July, the firm was forced to lay off 20% of its staff in preparation for what CEO David Finzer thinks could be a five-year crypto winter.

Nevertheless, Finzer remained long-term-bullish on NFTs at the time. "During this winter, I expect that we'll see an explosion in innovation and utility across NFTs," he said in a statement.

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**Here's How OpenSea Plans to Tackle Scam and Frauds**



## OpenSea Co-Founder Steps Down to Focus on New Projects





## Former OpenSea Employee Charged for NFT Insider Trading

**Tags:** Non-Fungible Token (NFT) OpenSea

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### About The Author



**Andrew Throuvalas**

More posts by this author

Andrew is a content writer with a passion for Bitcoin. He became familiar with Bitcoin back in 2013, but I studying the blockchain technology and its economic implications in 2017. Ever since, he's believed in t to replace the current global monetary system, and provide financial freedom to billions worldwide.

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TAYLAN MCRAE-YU  
Plaintiff/Responding Party

-and- PROFITLY INCORPORATED et al.  
Defendants/Moving Parties

Court File No. CV-23-00092340-00CP

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Plaintiff/Responding Party

-and- PROFITLY INCORPORATED et al.  
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