

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

<p>LCX AG,</p> <p style="text-align: center;">Plaintiff,</p> <p style="text-align: center;">-against-</p> <p>JOHN DOE NOS. 1-25,</p> <p style="text-align: center;">Defendants.</p>

Index No. _____

AFFIDAVIT OF MONTY C M METZGER

I, Monty C M Metzger, declare under penalty of perjury as follows:

1. I am the Chief Executive Officer of LCX AG, a company of Liechtenstein, located at Herrengasse 6, 9490 Vaduz, Principality of Liechtenstein.
2. LCX AG is the operator of the internet platform LCX.com. LCX.com enables trading in cryptocurrencies on the LCX Exchange (exchange.LCX.com).
3. The LCX Exchanges holds crypto assets in a number of wallets.
4. On January 8, 2022, a hacker gained unauthorized access to the private key controlling one of the primary LCX Exchange wallet at Ethereum blockchain address 0x4631018f63d5e31680fb53c11c9e1b11f1503e6f.
5. The hacker used his illegitimate access to transfer approximately \$7.94M USD worth of crypto assets from the LCX Exchange address to an address under his control—and outside of the control of LCX AG. Nine different crypto assets were stolen, including Digital Euro (EURE), U.S. Dollar Coin (USDC), and Ether (ETH).

6. On January 9, 2022 at 01:00 AM CET, LCX AG immediately suspended activity on the LCX Exchange and investigated the incident. A public tweet about the cyber security incident had been published on January 9, 2022 at 01:40 AM CET. Later that day LCX published a detailed cyber security article. During January 9, 2022 2:00 AM and 3:00 PM CET LCX alerted several cryptocurrency partners of the incident: Monerium, Liquid Global, and Elliptic. Monerium, the publisher of EURE, blocked the hacker from transacting EURE, effectively freezing approximately \$750k USD worth of EURE. Liquid Global blacklisted the known hacker address, preventing the hackers from using the Liquid Global service. And Elliptic, one of the world's premier blockchain analytics companies, labeled the attacker's address as a known hacker address, which will alert other users that funds in the hacker address are stolen—making it more difficult for the hacker to make use of those assets.

7. Also on January 9, 2022, LCX AG alerted the National Police of the Principality of Liechtenstein as to the hack and the measures already taken by LCX AG to prevent further losses and mitigate against the attack. Attached to this Affidavit is a true and correct English translation of the letter I sent to the National Police. *See Ex. 1.*

8. LCX AG collaborated with US company BLIN Agency, Blockchain Investigations Agency, with offices in Switzerland, to further trace the stolen assets and attempt to identify the hacker. LCX AG produced a Funds Tracing Report on January 17, 2022; a true and correct copy of this Report is attached. *See Ex. 2.*

The Funds Tracing Report comes to the conclusion that the stolen funds are held at the following Ethereum Wallets: 0x29875bd49350aC3f2Ca5ceEB1c1701708c795FF3 and 0x5C41b35DD45E951222C5e61a34FDF0A3Bd53Ed72.


9. LCX AG's Liechtenstein based legal counsel Attorney Sabine Fröhlich filed a criminal complaint against unknown at the public prosecutor in Liechtenstein as this is the headquarter of LCX AG, at the public prosecutor in Germany as there are LCX servers located in Germany and at the public prosecutor in Ireland as Coinbase Europe is regulated in Ireland.

10. On or about early March 2022, LCX AG identified that 500 of the stolen ETH was being held in an address in the custody of Coinbase Ireland. Our Liechtenstein Lawyer Attorney Sabine Fröhlich contacted Irish law enforcement authorities and requested the local authorities serve an asset freeze order on Coinbase Ireland to prevent dissipation of the stolen assets. This order was served on Coinbase Ireland and continues to be in effect as of May 25, 2022.

11. On May 9, 2022 the hacker swapped the stolen funds into U.S. Dollar Coin (USDC) and still keeps these funds at wallet 0x29875bd49350aC3f2Ca5ceEB1c1701708c795FF3. U.S. Dollar Coin (USDC) is maintained by Centre Consortium LLC a US company who has the technical ability to freeze the USDC in this wallet.

Pursuant to CPLR § 2106(b), I affirm this 1st day of June, 2022, under the penalties of perjury under the laws of New York, which may include a fine or imprisonment, that I am physically located outside the geographic boundaries of the United States, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States, that the foregoing is true, and I understand that this document may be filed in an action or proceeding in a court of law.

Respectfully submitted,



Monty Metzger
CEO, LCX AG

CERTIFICATION PURSUANT TO 22 NYCRR § 202.8-b

I, Elliot A. Magruder, an attorney duly admitted to practice law before the courts of the State of New York, hereby certifies that this Affirmation complies with the word count limit set forth in 22 NYCRR § 202.8-b(c) and contains 576 words, excluding the parts exempted by § 202.8-b(b).

Dated: New York, New York
June 1, 2022


/s/ _____
Elliot A. Magruder, Esq.