



FIRM NEWS

Withers obtains worldwide injunction for Singaporean to freeze sale of rare Bored Ape Yacht Club NFT

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Global law firm Withers KhattarWong has successfully obtained a worldwide proprietary injunction on behalf of a Singaporean NFT investor to freeze the sale and ownership transfer of a rare Bored Ape Yacht Club (BAYC) NFT, or non-fungible token, on the Ethereum blockchain against a Metaverse personality.

The Singapore High Court's injunction to protect an NFT is the first in Singapore and Asia, and the first globally in a purely commercial dispute. This injunction recognises NFTs as an asset.

Withers KhattarWong partner and international arbitration and litigation specialist, Shaun Leong, said: *"We are the first law firm in Singapore, and one of the first few in the world, that is successful in obtaining a worldwide proprietary injunction to freeze a Bored Ape Yacht Club NFT sale on the blockchain against a Metaverse personality."*



He added that the landmark ruling is also significant because it recognises that Singapore courts can take jurisdiction over assets sited in the decentralised blockchain.

The case is also unique as it allows for the service of court papers to be effected via social media such as Twitter, including on Ethereum's platform.

In the other known decision, *Lavinia Deborah Osbourne v (1) Persons Unknown (2) Ozone Networks Inc Trading as Opensea*, the UK court also considered NFTs as property. However, the injunction was to protect NFTs that were criminally hacked by unknown persons.

About the case

The case involves a rare NFT in a "blue chip" series – the Bored Ape Yacht Club series ("BAYC" or "apes"). There are only 10,000 apes in the world, owned by personalities such as Madonna, Justin Bieber, Eminem, Jimmy Fallon, and Paris Hilton. On 29 April 2022, the floor price for BAYC hit an all-time high of 152 ETH (\$434,000 USD) on OpenSea.

The claimant, a Singaporean who wishes to remain anonymous, is an NFT investor who owns several apes. He used one ape – BAYC No. 2162 – as collateral to borrow Ethereum on NFTfi, a community platform which functions as an NFT-collateralised cryptocurrency lending marketplace. This allows him to unlock liquidity from the NFT as the Ethereum can be used for investment to earn interest.

BAYC No. 2162, which is the only one in the world, and rare because it is the "only one wearing a beanie and has a jovial expression", as well as the fact it was a "virgin ape" which has not been fed with mutant serum. This enhances the value of BAYC No. 2162, according to the claimant.

The claimant entered into an agreement with a "chefpierre", a public persona who posts every other day on Twitter, and who is believed to hold a high position in the team at Metaverse game Gino's Big Town Chef.

The parties entered into a loan agreement on 19 March 2022 and an agreement to re-finance on 20 April 2022. As part of the refinancing agreement, the claimant transferred BAYC No. 2162 to NFTfi's escrow account to be held until full repayment of the loan was effected by the Claimant, with the agreement that the Refinancing Loan can be extended. When the Claimant could not repay the loan, the Defendant



foreclosed in breach of the agreement, shifted the NFT to his personal Ethereum wallet, and listed the NFT for sale in OpenSea.

The Claimant is primarily seeking an order that the Defendant be compelled to accept repayment of the loan for the redemption of BAYC No. 2162, and that the Defendant transfer BAYC No. 2162 to the cryptocurrency wallet of the Claimant, among other items.

Following this press release, the matter has been widely covered by the media, namely [The Straits Times](#), [The Business Times](#), [Legal Cheek](#) and more.

Get in touch



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