**IN THE SUPREME COURT OF THE REPUBLIC OF CASABLANCA**

HC/S 4 of 2022

**Lim Ah Kee**

… Plaintiff

Vs

**Moonshot Pte Ltd**

**(UEN: 3048293)**

… Defendant

**REGISTRAR’S DIRECTION(S)**

The directions of the Court are as follows:

1. Judge has requested further submissions to be made by way of an oral hearing on the following questions on 25 February 2022 at 5 p.m. in chambers.
   1. Whether a contract has been validly formed.
   2. Whether the contract can be set aside on grounds of unilateral mistake.
2. In making your further submissions, parties are to note that the Judge has already made the following factual findings.
3. The Defendant, Moonshot Pte Ltd (“**Moonshot**”), is a company incorporated in Casablanca. It is a limited liability company incorporated by one Mr Diam Ong Han (“**Han**”). Moonshot’s business is in trading in cryptocurrencies and cryptoassets, and block-chain related transactions for profit. Moonshot is entirely run by Han, an experienced cryptocurrency trader.
4. The Plaintiff, Mr Lim Ah Kee (“**Lim**”), is a retiree. In or around August 2021, Lim heard that his grandson had apparently become a millionaire trading with cryptocurrencies. This inspired Lim to start reading about cryptocurrencies and related innovations from online resources. Lim was very interested as he had a background in programming, working with a company known as Macrohard in developing and maintaining a suite of productivity programs for commercial companies known as OnFire.
5. The dispute concerns what is called a “smart contract”, which is a self-executing program written into a distributed, decentralised blockchain network. When the specified conditions set out within the program are met, the transaction is carried out automatically without further input required by any party.
6. In or around September 2021, Lim decided to experiment with creating a smart contract. Lim created a program that functioned as follows: If a person sends 10,000 PuppyCoins to a particular wallet address from a particular cryptocurrency exchange wallet, the smart contract will transfer BigCoins back to the same address at a specific exchange rate.
7. BigCoin and PuppyCoin are cryptocurrencies which have seen significant fluctuations in valuations. PuppyCoin has risen and fallen over one month in September 2021 from $0.43 to a peak of $5.26, before falling again to $0.83. BigCoin has also risen from $1.48 to $23.42, and is currently at $19.84.
8. Lim also created an account with TwitHub where the source code for his smart contract was viewable. Notably, at the outset of the source code, a comment was set out as follows:

*/\*\**

*Test Currency Exchange smart contract written by Ah Kee*

*Experimental code to exchange one cryptocurrency for another at an exchange rate to be determined based on market prices.*

*\*/*

1. Comments in source code are a person-readable annotation, which is ignored by the compiler when the program is compiled and eventually executed.
2. However, Lim had not yet figured out how to automatically get and update exchange rates, and had arbitrarily set the exchange rate at 1:1 in his program. Ah Kee intended to first test the code and see whether it would function as intended, and intended to send PuppyCoins to himself to see if it would send BigCoins back.
3. On 19 September 2021, Lim deployed the smart contract to test it. Unbeknownst to Lim, when he created the smart contract and wanted to test it, he had created a live smart contract that operated on the public blockchain of Gaseum, and was publicly viewable. Lim did not realise that the smart contract was viewable by third parties. Lim’s source code was also linked and searchable from the deployed smart contract.
4. Separately, as one of Moonshot’s many endeavours, Han had created a bot which would scour public smart contracts and cryptocurrency exchanges, and would search for differences in exchange rates, loopholes in smart contracts, and other such discrepancies which could be arbitraged for a guaranteed profit.
5. On 21 September 2021, Moonshot’s bot discovered Ah Kee’s smart contract, and noted that the exchange rate of 1:1 was significantly different from other public exchange rates. Moonshot’s bot therefore proceeded to perform the following transactions:
   1. Moonshot purchased 10,000 PuppyCoins for $8,200.
   2. Moonshot transferred 10,000 PuppyCoins to the address specified in Ah Kee’s smart contract.
   3. With its conditions met, the Ah Kee’s smart contract was automatically executed and transferred 10,000 BigCoins to Moonshot’s address.
   4. Moonshot then sold 10,000 BigCoins for $154,990.
6. Han was delighted to discover that his bot had made profits of $146,790, which were astronomical compared to the past performance of the bot. Han proceeded to pay it as dividends to himself without thinking too much about the origin of the profits, assuming that it had managed to take advantage of a significant arbitrage opportunity.
7. When Lim discovered that his BigCoins were missing, he believed his account had been hacked. Lim investigated and brought the present proceedings against Moonshot, demanding the return of 10,000 BigCoins. At the time of trial, BigCoins were alleged to be valued at $42.58.

\*Note: All names are fictional. You may assume all decisions of the Singapore Court are taken as binding precedent in Casablanca. The format of this moot problem does not reflect usual civil procedure. The format is used to set out the scenario for the purposes of the Moot problem. For the purposes of this Moot, mooters may assume that the only relief sought by Lim is the return of 10,000 BigCoins, and not an account of profits or other form of monetary damages.

**Cases:**

*Oei Hong Leong and another v Chew Hua Seng* [2020] SGCA 78

*Toh Eng Tiah v Jiang Angelina* [2021] 1 SLR 1176

*Lian Hwee Choo Phebe v Tan Seng Ong* [2013] 3 SLR 1162

*Chwee Kin Keong v Digilandmall.com Pte Ltd* [2005] 1 SLR(R) 502

*Quoine Pte Ltd v B2C2 Ltd* [2020] 2 SLR 20