

**UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA**

***PETER JOHNSON V. MAKER ECOSYSTEM GROWTH HOLDINGS, INC., NKA METRONYM, INC.,  
CASE NO. 3:20-CV-02569-MMC***

**If you had a CDP or Vault on the Maker Protocol and were forced to liquidate your Ethereum on March 12 or 13, 2020, and received zero compensation (meaning \$10/ETH or less) as part of any related auction, you could get compensation from a class action settlement.**

***A federal court authorized this Notice. You are not being sued. This is not a solicitation from a lawyer.***

- A settlement has been reached in a class action lawsuit against Defendant Maker Ecosystem Growth Holdings, Inc. nka Metronym, Inc. (“Metronym”). This settlement is hereinafter referred to as the “Settlement.” Plaintiff Peter Johnson (“Plaintiff,” together with Metronym, referred to herein as the “Parties”) alleges that Metronym represented to users of the Maker Protocol that users’ collateral in their Collateralized Debt Positions (“CDP”) or Vaults would be protected through a fair market auction mechanism, when it in fact did not work that way, resulting in losses to hundreds of users on March 12 or 13, 2020. Metronym denies these allegations.
- You may be a member of the settlement class (“Settlement Class Member”) if you had a CDP or Vault on the Maker Protocol and were forced to liquidate the Ethereum (“ETH”) in that CDP or Vault on March 12 and 13, 2020, and received zero compensation – meaning \$10/ETH or less – for that liquidated ETH as part of any related auction.
- Settlement Class Members will be eligible to make a claim to receive a pro rata share of the Settlement funds based on the amount of collateral lost on March 12 or 13, 2020.
- You have to take action on or before December 1, 2023 in order to exercise certain legal rights and options in the Settlement, which are set forth in this Notice. Your legal rights are affected whether you act or don’t act. Read this Notice carefully.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT	
<b>FILE A CLAIM BY DECEMBER 1, 2023</b>	<ul style="list-style-type: none"><li>• The only way to receive a cash payment is to submit a timely and valid Claim.</li></ul>
<b>EXCLUDE YOURSELF BY DECEMBER 1, 2023</b>	<ul style="list-style-type: none"><li>• Excluding yourself means you will <b>get no payment from this Settlement</b>, but you will retain any rights you currently have to sue the Defendant about the claims in this case.</li></ul>
<b>OBJECT TO THE SETTLEMENT BY DECEMBER 1, 2023</b>	<ul style="list-style-type: none"><li>• If you do not exclude yourself, you may write to the Court about why you do not like this Settlement.</li></ul>
<b>GO TO THE FINAL APPROVAL HEARING ON FEBRUARY 9, 2024 AT 9:00 A.M.</b>	<ul style="list-style-type: none"><li>• Ask to speak in Court about your opinion of this Settlement.</li></ul>
<b>DO NOTHING</b>	<ul style="list-style-type: none"><li>• If you do nothing, you will get no payment from this Settlement and will give up your rights to sue the Defendant about the claims in this case.</li></ul>

## BASIC INFORMATION

### 1. Why did I get this Notice?

You are receiving this Notice because your rights may be affected by the settlement of a class action lawsuit.

A Court authorized this notice because you have a right to know about the proposed settlement of this class action lawsuit and about all of your options, before the Court decides to give final approval to the Settlement. This Notice explains the lawsuit, the Settlement and your legal rights.

The lawsuit is *Peter Johnson v. Maker Ecosystem Growth Holdings, Inc., nka Metronym, Inc.*, Case No. 3:20-cv-02569-MMC (the “Lawsuit”), currently pending in the Federal District Court for the Northern District of California. The Court has granted preliminary approval of the Settlement and has conditionally certified the Settlement Class for purposes of settlement only.

### 2. What is this lawsuit about?

This Lawsuit asserts claims for negligent misrepresentation, intentional misrepresentation, and negligence, under California law, against defendant Metronym. According to the complaint in this Lawsuit, Metronym operated a crypto-currency platform, called the Maker Protocol. The protocol utilizes a currency called Dai, which is collateralized by, among other things, a different crypto-currency: ETH. The protocol requires users to deposit ETH into a CDP or Vault, entitling users to withdraw a limited amount of Dai. All CDPs or Vaults were required to be over-collateralized by a certain ratio. If the market value of ETH dropped (causing the Dai issued through the CDP or Vault to become under-collateralized), the protocol would trigger an auction whereby the collateral (i.e., the ETH) is sold to pay off the outstanding amount of Dai along with a liquidation penalty. According to the complaint, the balance of the collateral/ETH would, in turn, be returned to the CDP or Vault holder.

The complaint alleges that on March 12, 2020, the market price of ETH dropped dramatically causing *en masse* CDP or Vault liquidation auctions. According to the complaint, due to errors in the protocol, however, only one or two “bots” were adequately programmed to engage in the bidding process in the midst of a crush of network traffic. And because those bots were the only bidders, their zero-dollar bids won the auction. Thus, instead of receiving the balance of their collateral (less the liquidation penalty) as they were allegedly promised under the protocol, many CDP or Vault owners were left with nothing. And as alleged in the complaint, these CDP or Vault owners lost the whole of their collateral.

Plaintiff contends — on behalf of himself and all similarly situated CDP or Vault owners — that Metronym misrepresented how the Maker Protocol would and should operate in the event of a liquidation and also that it negligently mismanaged the process in any event. Plaintiff alleges that, as a result, numerous CDP or Vault owners lost millions of dollars of ETH.

Metronym denies all allegations of wrongdoing, and contends, among other things, that: (1) CDP or Vault holders were clearly warned of the risks of using the Maker Protocol; (2) the Maker Protocol liquidation process was accurately described; and (3) any losses on March 12 or 13, 2020 were the result of nefarious third-party actors rather than any conduct by Metronym. The Court has not determined who is right. Rather, the Parties have agreed to settle the Lawsuit to avoid the uncertainties and expenses associated with ongoing litigation.

### 3. Why is this lawsuit a class action?

In a class action lawsuit, one or more people, called “Class Representatives” (in this case, Plaintiff Peter Johnson), sue on behalf of people who have similar claims. All these people together are a “Class” or “Class Members.” In a settlement of a class action before the Class is certified, one court resolves the issues for all Class Members, for settlement purposes only, except for those who choose to exclude themselves from the Class.

### 4. Why is there a settlement?

The Court has not determined who is right. Rather, the Parties have agreed to settle the Lawsuit to avoid the uncertainties and expenses of continuing the Lawsuit. By agreeing to settle, the Parties avoid the cost and risk of a trial, and Settlement Class Members will get a chance to receive benefits sooner rather than, if at all, after the completion of a trial. The Class Representative and his attorneys think this Settlement is best for all Settlement Class Members. This Settlement does not mean that Metronym did anything wrong.

## WHO IS IN THE SETTLEMENT

### 5. How do I know if I am part of this Settlement?

You may be a Settlement Class Member if you had a CDP or Vault on the Maker Protocol and were forced to liquidate your ETH on March 12 or 13, 2020, and received zero compensation – meaning \$10/ETH or less – as part of any related auction.

## THE SETTLEMENT BENEFITS — WHAT YOU GET IF YOU QUALIFY

### 6. What does this Settlement provide?

If approved, a Settlement Fund will be created totaling up to \$1,160,000.00. Settlement Class Members' cash payments will come out of this Settlement Fund. Plaintiff's counsel may pay up to \$100,000.00 for the costs to administer the Settlement and to inform people about the Settlement. Class Counsel's attorneys' fees and costs, up to \$400,000.00 (30% of the Settlement Fund plus reimbursement of costs), will be paid from the Settlement Fund, as approved by the Court.

A detailed description of the settlement benefits can be found in the Stipulation of Settlement (the "Settlement Agreement"), a copy of which is accessible on the Settlement Website at [www.MakerProtocolSettlement.com](http://www.MakerProtocolSettlement.com).

In exchange for these benefits, Settlement Class Members will release (i.e., discharge) Metronym from all claims of liability relating to the events of March 12 and 13, 2020 that were made or could have been made in the Lawsuit or in other legal proceedings or forums. These releases are set forth in specific detail in the Settlement Agreement.

### 7. How will payments be calculated?

You **must** submit a Claim Form (see instructions below) to receive a share of the Settlement Fund. You may be entitled to receive a cash payment based on a pro rata share of the Settlement Fund (net of costs) depending on how much collateral you lost on March 12 or 13, 2020.

If the Settlement is approved by the Court, then, in accordance with the settlement terms set forth in the Settlement Agreement and summarized above, each Settlement Class Member who makes a timely and valid claim is entitled to a cash payment.

### 8. How much will my payment be?

The exact amount of cash payments cannot be calculated until: (a) the Court approves the Settlement; (b) the number of valid Claims are determined; and (c) amounts are deducted from the Settlement Fund for attorney's fees and costs and any additional notice and administration costs.

## HOW YOU GET A PAYMENT — PARTICIPATING IN THE SETTLEMENT

### 9. How can I get a payment?

You must submit a Claim Form to receive a payment from the Settlement Fund. You may submit a Claim Form either electronically on the Settlement Website at [www.MakerProtocolSettlement.com](http://www.MakerProtocolSettlement.com), or by printing and mailing in a paper Claim Form, a copy of which is available for download at [www.makerprotocolsettlement.com](http://www.makerprotocolsettlement.com). Claim Forms must be submitted online by 11:59 p.m. Pacific Time on December 1, 2023 or postmarked and mailed by December 1, 2023.

### 10. When will I get my payment?

The hearing to consider the fairness of the Settlement is scheduled for February 9, 2024 at 9:00 a.m. If the Court approves the Settlement, Settlement Class Members who have submitted timely and valid Claims, will receive their payment after the Settlement has been finally approved and/or any appeals process is complete. The payment will be made in the form selected when submitting a Claim (e.g., paper check, Paypal/Venmo, ACH/Direct Deposit, etc.), and all forms of payment will expire and become void 180 days after they are issued.

Questions? Call 1-888-510-2066, Or Visit [www.MakerProtocolSettlement.com](http://www.MakerProtocolSettlement.com)

### **11. What am I giving up to get benefits and stay in the Settlement?**

If this Settlement receives final approval from the Court, this Settlement will be legally binding on all Settlement Class Members, including Settlement Class Members who object, unless you exclude yourself from the Settlement. This means you will not be able to sue Metronym for the claims being released in this Settlement. This Notice is only a summary. The specific claims that you are giving up against Metronym are described in detail in the Settlement Agreement. You will be “releasing” Metronym and all related entities (the “Released Parties”) as described in the Settlement Agreement, regardless of whether you submit a claim or not. Again, the Settlement Agreement is available at [www.MakerProtocolSettlement.com](http://www.MakerProtocolSettlement.com) or by calling 1-888-510-2066.

The Settlement Agreement provides a specific description of the released claims, so read it carefully. If you have any questions, you can talk to Class Counsel listed below or you can, of course, talk to your own lawyer if you have questions.

### **12. How do I get out of the Settlement?**

To exclude yourself from the Settlement, you must mail a letter by December 1, 2023. Your letter must state that you want to be excluded from the *Johnson v. Maker Ecosystem Growth Holdings, Inc., nka Metronym, Inc.*, Case No. 3:20-cv-02569-MMC Settlement. Your letter must also include your name, mailing address, and email or telephone number, must be personally signed by you and must be mailed and postmarked by December 1, 2023, to:

*Johnson v. Maker Ecosystem Growth Holdings, Inc. et al. Settlement Administrator*  
c/o CPT Group, Inc.  
50 Corporate Park  
Irvine, CA 92606

### **13. If I do not exclude myself, can I sue the Defendant for the same thing later?**

No. Unless you exclude yourself from the Settlement, you give up any right to sue the Defendant for the claims that are resolved by the Settlement.

### **14. If I exclude myself, can I get a payment from the Settlement?**

No. If you exclude yourself from the Settlement, you will not be able to get any payments from the Settlement and you cannot object to the Settlement. You will not be legally bound by anything that happens in the Settlement.

## **THE LAWYERS IN THE CASE**

### **15. Do I have a lawyer in the case?**

#### **Class Counsel**

The Court has appointed the law firms listed below to represent you and other Settlement Class Members in the Settlement. These lawyers are called Class Counsel. If you want to be represented by your own lawyer, you may hire one at your own expense.

If you want to contact Class Counsel about this Settlement, they can be reached as set out below, or through the Settlement Administrator by calling 1-888-510-2066, or sending an email to [MakerProtocolSettlement@cptgroup.com](mailto:MakerProtocolSettlement@cptgroup.com).

Please be advised, if you decide to object, which is your right and is explained in more detail below, Class Counsel cannot assist you with your decision to object, and if that is what you choose to do, you may wish to obtain your own lawyer.

Adam S. Heder  
JurisLaw LLP  
Three Centerpointe Drive  
Suite 160  
Lake Oswego, OR 97035  
[adam@jurislawyer.com](mailto:adam@jurislawyer.com)

#### **16. How are Class Counsel being paid? Is the Class Representative being paid?**

Class Counsel will ask the Court for an award of attorneys' fees and costs up to a maximum of \$400,000.00 (30% of the Settlement Fund plus reimbursement of costs), to be paid from the Settlement Fund, but the Court may award less than this amount. Subject to approval by the Court, the Class Representative may also receive a service award totaling up to \$25,000.00, to come from the Settlement Fund, for his services in helping to bring and resolve this case.

Class counsel will file their motion for attorneys' fees and the Class Representative service award by September 8, 2023, and will post the motion on the settlement website ([www.MakerProtocolSettlement.com](http://www.MakerProtocolSettlement.com)) on that date. You may object to the amount of the fees and/or the service award as set forth below in Section 17.

The Court will determine the appropriate amounts to award. The Settlement is *not* conditioned upon Court approval of any of the attorneys' fees and costs or Class Representative service award amounts.

### **OBJECTING TO THE SETTLEMENT**

#### **17. How do I tell the Court that I do not like the Settlement?**

If you are a Settlement Class Member and you do not exclude yourself, you may object to the Settlement. You can ask the Court to deny approval by filing an objection. You cannot ask the Court to order a different settlement; the Court can only approve or reject the Settlement. You can, however, ask the Court to award a different amount of attorneys' fees and/or the Class Representative service award. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that is what you want to happen, you should object.

Any objection to the proposed Settlement must be in writing. If you file a timely written objection, you may, but are not required to, appear at the Final Approval Hearing (defined and explained below), either in person or through your own attorney. If you appear through your own attorney, you are responsible for hiring and paying that attorney. All written objections and supporting papers must: (1) clearly identify the case name and number (*Johnson v. Maker Ecosystem Growth Holdings, Inc., nka Metronym, Inc.*, Case No. 3:20-cv-02569-MMC); (2) be submitted to the Court either by filing them electronically or in person at the United States District Court for the Northern District of California, 450 Golden Gate Avenue San Francisco, CA 94102, or by mailing them to the Clerk of the Court, United States District Court for the Northern District of California, 450 Golden Gate Avenue, San Francisco, CA 94102; and (3) be filed or postmarked on or before December 1, 2023.

To object, you must file your objection with the Court on or before December 1, 2023. The Court's address is:

Federal District Court for the Northern District of California  
450 Golden Gate Avenue  
San Francisco, CA 94102

#### **18. What is the difference between objecting and excluding yourself?**

Objecting is telling the Court that you do not like something about the Settlement. You can object to a settlement only if you remain a Settlement Class Member. Excluding yourself is telling the Court that you do not want to be part of the Settlement or a Settlement Class Member. If you exclude yourself, you have no right to object, because the case no longer affects you. If you object, and the Court approves the Settlement anyway, you will still be legally bound by the result.

## THE COURT'S FINAL APPROVAL HEARING

### 19. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing to decide whether to finally approve the proposed Settlement. The Final Approval Hearing will be held on February 9, 2024, at 9:00 a.m. at the Federal District Court for the Northern District of California, San Francisco Courthouse, Courtroom 7, 450 Golden Gate Avenue, San Francisco, CA 94102.

If you want to attend the Final Approval Hearing, keep in mind that the date and/or time may be changed after this Notice is sent and attendance may require compliance with certain measures to maintain social distancing, so you should check the Settlement Website ([www.MakerProtocolSettlement.com](http://www.MakerProtocolSettlement.com)) before making travel plans.

At the Final Approval Hearing, the Court will consider whether the proposed Settlement and all of its terms are adequate, fair, and reasonable. If there are objections, the Court will consider them. The Court may listen to people who have asked for permission to speak at the Final Approval Hearing. The Court may also decide how much to award Class Counsel for fees and costs, and whether and how much to award the Class Representatives for representing the Settlement Class (the service award).

**There is no set timeline for either the Court's final approval decision, or for any appeals that may be brought from that decision, so it is impossible to know exactly when the Settlement will become final.**

The Court may change deadlines listed in this Notice without further notice to the Settlement Class. To keep up on any changes in the deadlines, please contact the Settlement Administrator or review the Settlement Website.

### 20. Do I have to come to the Final Approval Hearing?

No. Class Counsel will answer any questions asked by the Court.

If you filed an objection with the Court, you do not have to come to Court to talk about it. So long as you filed your written objection with the Court on time and complied with the other requirements for a proper objection, the Court will consider it. You may also pay another lawyer to attend, but it is not required.

### 21. May I speak at the Final Approval Hearing?

Yes. You or your lawyer may, at your own expense, come to the Final Approval Hearing and ask the Court for permission to speak. You must also file with the Court a Notice of Intention to Appear, which must also be mailed to the Settlement Administrator so that it is **postmarked no later than December 1, 2023**, and it must be **filed** with the Clerk of the Court by that same date at the address indicated above. If you intend to have a lawyer appear on your behalf, your lawyer must enter a written notice of appearance of counsel with the Clerk of the Court no later than **December 1, 2023**. See above for the addresses of the Court and the Settlement Administrator. You cannot speak at the Final Approval Hearing if you excluded yourself.

## GETTING MORE INFORMATION

### 22. How do I get more information about the Settlement?

This Notice is only a summary of the proposed Settlement of this Lawsuit. More details are in the Settlement Agreement which, along with other documents, can be obtained at [www.MakerProtocolSettlement.com](http://www.MakerProtocolSettlement.com). You can also contact the attorneys whose information is included in *Question 15* or use the resources listed below.

YOU MAY OBTAIN ADDITIONAL INFORMATION BY	
CALLING	<ul style="list-style-type: none"><li>Call the Settlement Administrator toll-free at 1-888-510-2066 to ask questions and receive copies of documents.</li></ul>
E-MAILING	<ul style="list-style-type: none"><li>Email the Settlement Administrator at <a href="mailto:MakerProtocolSettlement@cptgroup.com">MakerProtocolSettlement@cptgroup.com</a></li></ul>
WRITING	<ul style="list-style-type: none"><li>Send your questions by mail to:  <i>Johnson v. Maker Ecosystem Growth Holdings, Inc. et al. Settlement Administrator</i> c/o CPT Group Inc. 50 Corporate Park Irvine, CA 92606</li></ul>
VISITING THE SETTLEMENT WEBSITE	<ul style="list-style-type: none"><li>Visit <a href="http://www.MakerProtocolSettlement.com">www.MakerProtocolSettlement.com</a>, where you will find answers to common questions about the Settlement plus other information to help you.</li></ul>
REVIEWING LEGAL DOCUMENTS	<ul style="list-style-type: none"><li>You may also access the Court docket in this case, for a fee, through the Court's Public Access to Court Electronic Records (PACER) system at <a href="https://ecf.cand.uscourts.gov">https://ecf.cand.uscourts.gov</a>, or by visiting the office of the Clerk of the Court for the United States District Court for the Northern District of California, 450 Golden Gate Avenue, San Francisco, CA 94102, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.</li></ul>

**PLEASE DO NOT CALL THE JUDGE OR THE COURT CLERK TO ASK QUESTIONS ABOUT THE LAWSUIT, THE SETTLEMENT, OR THIS NOTICE.**

**THE COURT WILL NOT RESPOND TO LETTERS OR TELEPHONE CALLS. IF YOU WISH TO ADDRESS THE COURT, YOU MUST FILE AN APPROPRIATE PLEADING OR MOTION WITH THE CLERK OF THE COURT IN ACCORDANCE WITH THE COURT'S USUAL PROCEDURES.**