

Pudgy Penguin’s Acquisition was Fueled by Rugpulls.

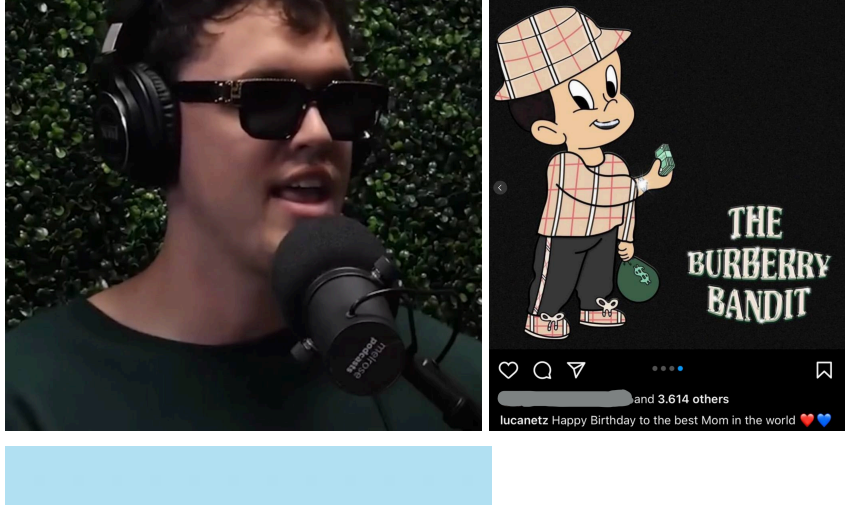
Luca Netz’ 750ETH (\$2.5mil at the time) acquisition of Pudgy Penguins was funded almost entirely by a series of rug pulls that he, and his associates, perpetuated.

By the end of this document, you’ll see on-chain evidence showing that 99.06% of Luca’s contribution to the purchase came from his cut from six different rugpulls. These projects raised millions of dollars, offering an animated series, comic books, a BAYC raffle, among other benefits. None of these benefits happened, the main benefit granted was millions to Luca’s various wallets. You’ll see that these people are a group of serial fraudsters that have engaged in grifts and fraud across many different industries.



The Burberry Bandit (Luca’s Early Years)

Before getting involved in NFTs, Luca Netz (CEO of Pudgy Penguins) had a prolific, public, and often exaggerated litany of businesses and schemes. His self given name “The Burberry Bandit” suits him well. We’ll be going over how he created multiple NFT scams before Pudgy Penguins, his malicious marketing strategies, his paid trading groups where he claims he will teach you how to “print money”, a place that also facilitated the creation of dozens pump and dump coins, getting arrested multiple times, turning his friend into a fake guru and using him to sell courses, committing multiple acts of securities fraud and wire fraud and much more, you’ll come to learn that Luca has done every grift in the book of grifts.



To better get to know him, we’ll start by exploring his early criminal career. Some of Luca’s first crimes were stealing from local stores, before dropping out of high school at the age of 16 and [self admittedly becoming a drug dealer](#). Some of his other early ventures involved [conning property owners](#) into renting him large warehouses where he would host illegal parties without their knowledge. Although he was arrested multiple times, he avoided prison because he was underage at the time and his contract signature wasn’t binding. As a result, the liability for his actions fell on the owners instead.

Quoting Luca: “trust me, in these streets, these LA streets being a young gun...can’t even talk about the stuff I’ve done now”. Videos below:

<https://rumble.com/v2n93da-2-luca-netz-about-hosting-illegal-parties-clip.html>

<https://rumble.com/v2n9bms-3-luca-netz-cant-even-talk-about-the-stuff-ive-done-now-clip.html>

<https://youtu.be/BVEdMdl2kXQ?t=5149>

<https://youtu.be/Kj-5T0H1Lns?t=386>

In 2017 he opened his first company which he named “**LA Gold Cartel, LLC**”, he maintains his position as CEO to this day. https://opencorporates.com/companies/us_ca/201723610245

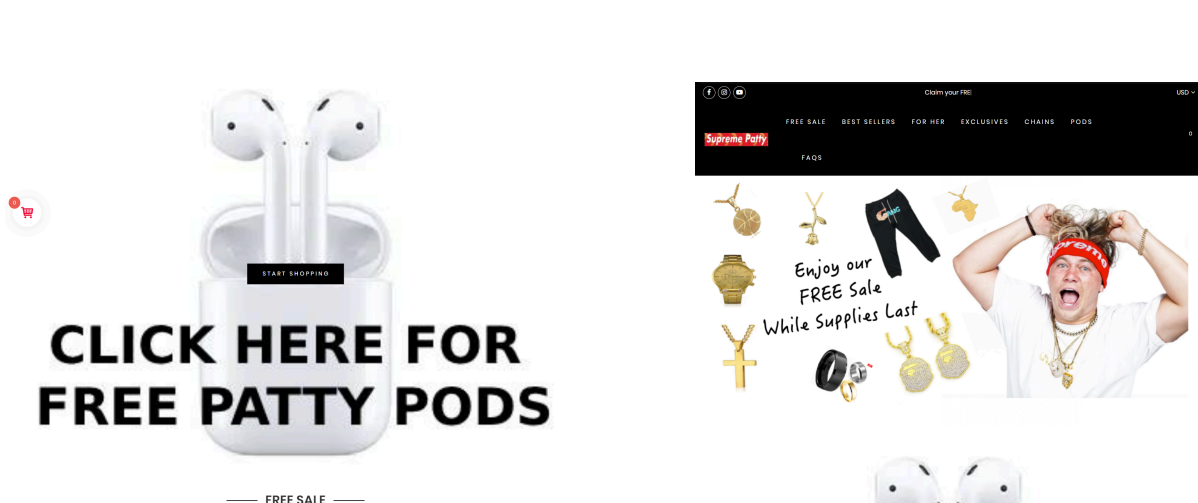
LA GOLD CARTEL, LLC

Company Number 201723610245
Status Active
Incorporation Date 18 August 2017 (over 5 years ago)
Company Type Limited Liability Company - CA
Jurisdiction California (US)
Registered Address 1720 PACIFIC AVE UNIT 335
VENICE
90291
United States
Agent Name LUCA SCHNETZLER PAULLAHR@YAHOO.COM
Agent Address 1720 PACIFIC AVE UNIT 335, VENICE, CA, 90291
Directors / Officers LUCA SCHNETZLER
LUCA SCHNETZLER PAULLAHR@YAHOO.COM, agent
Registry Page <https://bizfileonline.sos.ca.gov/search...>

He used his newly opened company to start selling fake jewelry, counterfeit airpods and other devices utilized influencers like ‘Supremepatty’ to advertise their fake goods. The company used actual promotional images of official Apple products while selling counterfeit ones. The items were marketed as free, but upon proceeding to checkout, an exorbitant shipping fee, exceeding the industry standard, would be added, enabling them to generate profits and deceive customers.

If a seller is intentionally misleading buyers by stating that an item is free while inflating shipping costs to cover the actual price of the item, this would be considered a deceptive or fraudulent business act or practice under California State law, where Luca is based in. Not to mention just how fraudulent it is to sell counterfeit goods like apple airpods and use their authentic product images on your website.

Web Archive Link: <https://web.archive.org/web/20200602065940/https://www.supremepatty.com/>



Here is a quote from Luca: “I started my first direct consumer business selling fake gold chains in cubic zirconia diamonds to kids who want to look like their favorite rapper “. Video below:

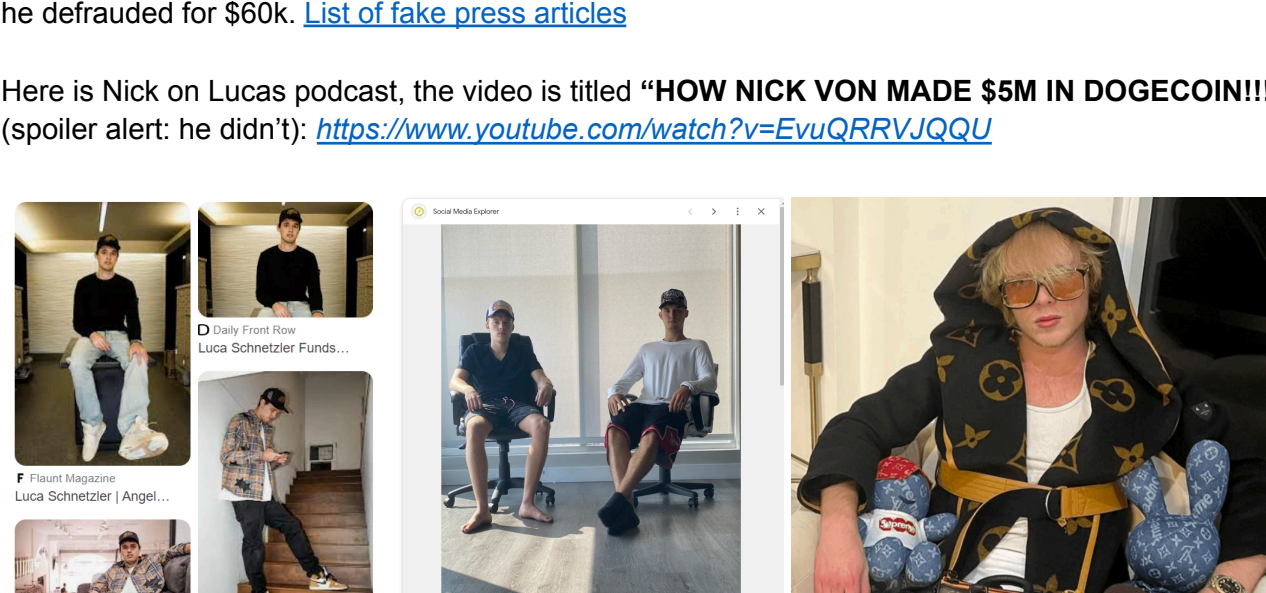
<https://rumble.com/v2n8y7e-1-luca-netz-about-selling-fake-jewelry-clip.html>

<https://twitter.com/supremepatty/status/1006009187548057605?s=20>

Like any other professional con artist Luca started buying fake press about himself, to create a false perception of credibility. We were able to find [10 articles](#) that were written between April and May 2021 and all happen to use never before seen photos of Luca. Among these was Sun Nigeria which we believe even faked the date of the article to 2016, while it used pictures that were shot in 2021. These media organizations are commonly used by con artists and charlatans to obtain deceptive articles about themselves. Here is a [list of news articles](#) for sale, a service provided by another con artist Riachu, almost all of Lucas articles are included in this list ranging from \$0.2k-\$1.2k per article.

Below you can also see an older fake press article with him and his good friend and a long time business partner Nick Von, later on we are going to get into how Nick has scammed dozens of people for millions of dollars over the last few years. To illustrate how malicious some of the people involved are you’ll see that among the Nick Von’s victims were also his girlfriend and his own grandmother who he defrauded for \$60k. [List of fake press articles](#)

Here is Nick on Lucas podcast, the video is titled “**HOW NICK VON MADE \$5M IN DOGECOIN!!!**” (spoiler alert: he didn’t): <https://www.youtube.com/watch?v=EvuQRRVJQUU>



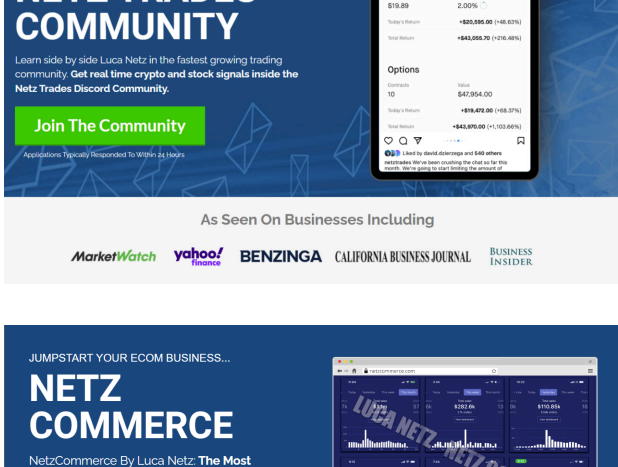
Ironically, one [of the articles](#) has mistaken Luca for a german footballer of the same name. Our advice to Luca is that the next he seeks to manipulate his public image by purchasing fake press, he should proofread what the sellers have written about him before it gets published.

Netz Capital is an angel investment firm launched by the professional **German footballer Luca Schnetzler**. He felt the need to contribute towards the growth of the economy while also growing his money in the process. Thus he came up with the idea of Netz Capital. So far this angel investment form has made some smart investment decisions going by the market trends and forthcoming business developments.

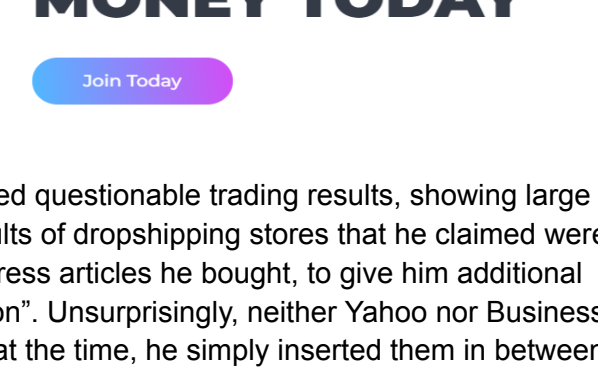
We believe he purchased these articles to bolster his credibility, as he was gearing up to execute his largest con yet, which he has been trying to cover up after the Pudgy Penguins acquisition.

Netz Trades

Luca's next endeavor started in 2021, which he titled Netz Trades, a subscriber-only Discord group offering traded calls and 'automated trading signals'. Around this period of time he also launched a \$1700 dropshipping course. Through this course we were able to see some early signs of how Luca became successful, as he teaches his students to buy instagram accounts with lots of followers, purchase fake likes, and create phony reviews. Eventually he even started offering sports betting signals.



Get Access To Netz Commerce		
SELECT YOUR TIER		
Item	Price	
Beginner Course	\$425 (15% OFF \$497)	
Influencer Monetization	\$195 (15% OFF \$228)	
Intermediate Course	\$150 (15% OFF \$175)	
Advanced Course	\$180 (15% OFF \$207)	
Netz Commerce Discord Monthly	\$57/month	
Netz Commerce Discord Yearly	\$499.00/year	

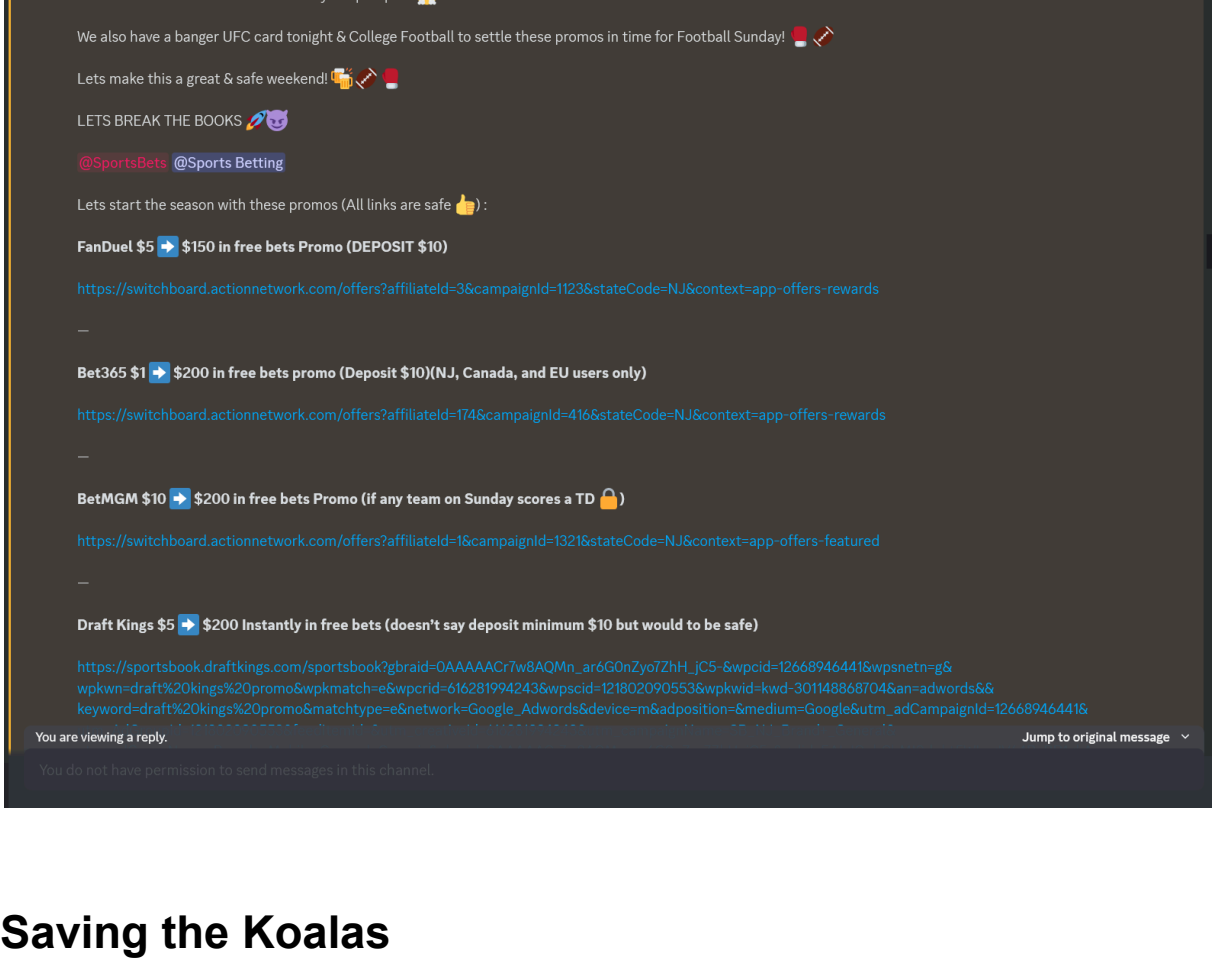


In order to entice people to buy into this, he displayed questionable trading results, showing large profits, while at the same time also showing off results of dropshipping stores that he claimed were his, on his websites he used the logos of the fake press articles he bought, to give him additional credibility, in the classic grifter manner of “as seen on”. Unsurprisingly, neither Yahoo nor Business Insider ever even published any articles about him at the time, he simply inserted them in between all the fake ones.

The question we raise is why would someone who has “mastered” both trading and is also an “8 figure dropshipper”, need to sell not one but 2 paid groups and multiple courses.

It's reasonable to state that certain business courses can provide value and are worth the cost. Upon assessing some of his courses, we can conclude that they were nothing extraordinary, and we believe that there are superior free courses available on platforms such as YouTube. Nevertheless, there is nothing objectionable about selling a course. The problems arise when you start selling people the dream, telling them “*Join and start printing money today*”, when you over-promise and under-deliver, when you teach your “students” malicious business tactics which they will go on to use and harm consumers, and when you eventually abandon them.

Additionally why would someone who want's to help people and has good intentions for those who paid him thousands of dollars for a course that's supposedly going to make them financially free, encourage those same people to engage in gambling? Below is a message from the “sports-signals” channel, posted by one of the Admins from Luca's discord group, he encourages members to gamble and use their affiliate links when doing so. He is luring them into something where they are mathematically guaranteed to lose, something that's ruined countless lives, and has the audacity to share his affiliate links, remember casinos can only pay out their affiliates if the people who they brought lose money.



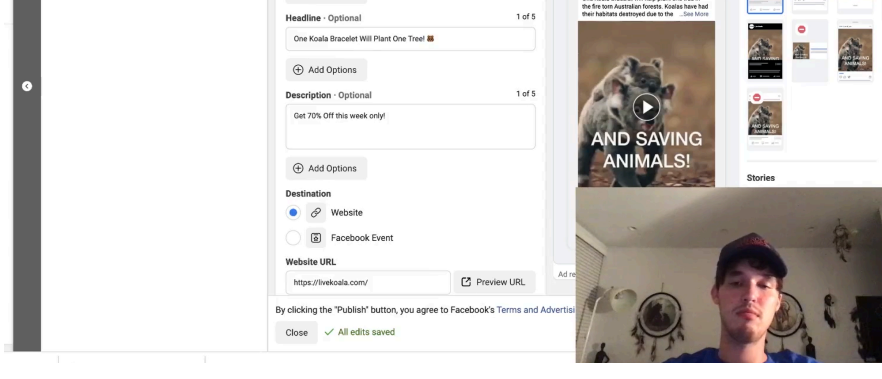
Saving the Koalas

In a segment of his premium course, priced at \$1700, Luca was teaching his “students” his “secret insider methods”. The course detailed strategies for brand building, running advertising campaigns, and copywriting.

The product in focus was a selection of bracelets and necklaces sourced from suppliers in China at minimal costs and marked up to five times their purchase price for retail. The marketing was framed so that the sale of these accessories seemed as a philanthropic initiative to protect endangered Australian Koalas from wildfires. According to his advertised claims, each purchase would contribute a portion of the profits towards the rescue and preservation of these animals. Yes, you read that right, his whole course was around teaching how to con and manipulate people who wanted to save endangered Australian Koalas from fire...

Altho we strongly doubt Luca would donate even a fraction of the profits for anything else besides protecting himself from legal liability, even if he donated half of the profits, this still is an extremely questionable way to make money, it's borderline fraudulent. What's even worse is that he taught this to thousands of people, probably creating an army of little of “burberry bandits” defrauding people by praying on their compassion.

<https://rumble.com/v2nbbj6-4-luca-netz-saving-endangered-koalas-from-fire-sarcasm.html>



In another segment from the course Luca discusses how he made a large amount of money, by creating a fake perception of value for a random Chinese product, he did this by listing few high-end products from famous brands on his website and marking them as sold out, and only leaving his product as available for purchase. He also says that his friends have tried this but they failed, he thinks his friends failed because “*no one put the effort in getting the instagram, buying the likes, faking a lot of things, doing stuff like that..*”. He also goes on to show people where they can buy fake likes, comments and followers, so they can more easily deceive their customers. Video below:

<https://rumble.com/v2nbvd6-5-luca-netz-teaching-how-to-deceive-customers.html>

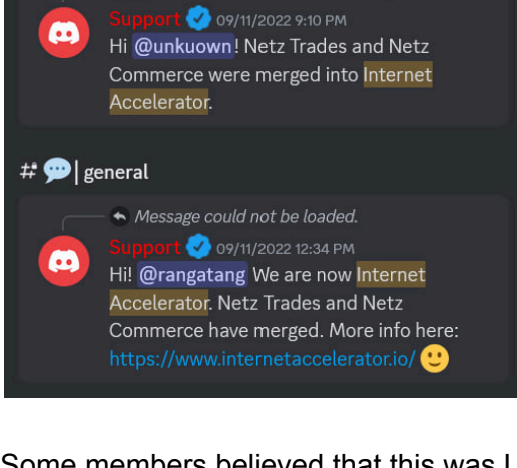
In mid 2022 Luca was apparently publicly criticized for Netz Trades and his courses by a twitter user, altho this received very little attention and the tweet was later reportedly deleted because Luca threatened legal action. Besides some rumors on twitter and discussions in discords we were not able to fully confirm this, if the person who posted the tweet is reading this, please contact us.



We believe that this made Luca realize he quickly needed to distance himself from Netz Trades and Netz Commerce, and so he did. He quickly took down the netztrades.com and netzcommerce.com websites and deleted their social media accounts, thanks to web archives we can still see what these websites used to look like, links below:

<https://web.archive.org/web/20211207172136/https://netztrades.com/home-1>
<https://web.archive.org/web/20211207032233/https://netzcommerce.com/homepage-1>

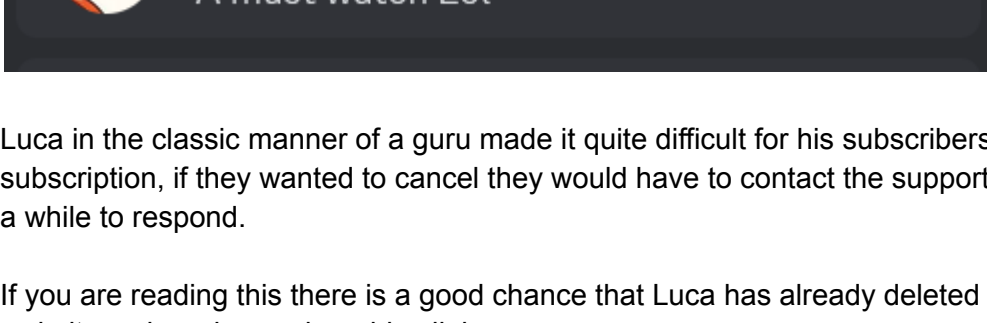
The monthly profits were too good for Luca to fully shut down his operation, so he decided to merge both Netz Trades and Netz Commerce into “Internet Accelerator”, he didn't even bother to make an announcement to his members, they had to go and ask support representatives why the name of the Discord server has changed.



Some members believed that this was Luca's answer to Andrew Tate's Hustlers University, they suspected that he created an all-in-one package to compete with him, in this package you could follow their trading calls, use their automated trading signals, become an 8-figure dropshipper like Luca, and see their daily sports-betting calls.

Altho this new all-in-one package really does seem like some new grift Luca would try, and it's likely that this was one of his motives, we still believe the main reason for this rebranding was to distance himself.

Luca posted his last message in the discord about 7 months ago, the discord has been slowly dying since, with less and less activity, while still having hundreds of paying members. Another big problem here is that many people bought a yearly subscription, or his \$1700 Netz Commerce package that granted them lifetime access to these groups, and yet Luca decided to fully abandon them, not sending even 1 message for months, many of these people are huge fans of Luca, we would argue much bigger fans than any Pudgy Penguin holders, because they believed in the dream he was selling them, and yet his actions show that he couldn't care less about them.



Luca in the classic manner of a guru made it quite difficult for his subscribers to cancel their subscription, if they wanted to cancel they would have to contact the support, which would take quite a while to respond.

If you are reading this there is a good chance that Luca has already deleted the Internet Accelerator website so here is a web archive link:

<https://web.archive.org/web/20221010015532/https://www.internetaccelerator.io/>

We believe it is only a matter of time when he and his partners abandon Pudgy Penguins the same way they did everything else that didn't seem profitable enough and move on to the next grift.

The Fake Guru

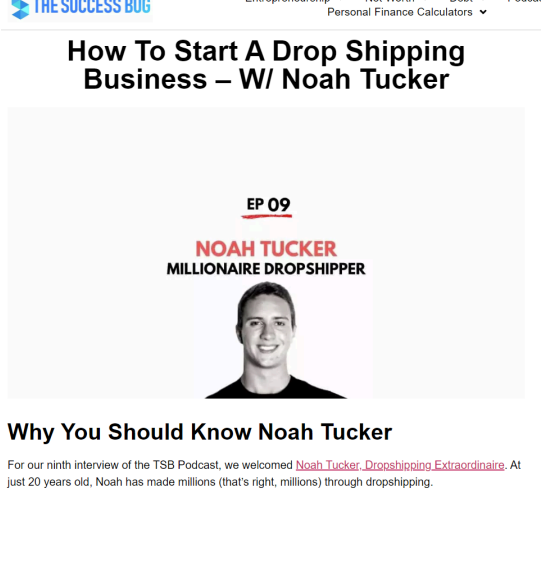
Another grift Luca got the idea to try was using one of his friends, **Noah Tucker**, as the face behind his courses. He was planning to teach him how to pretend to be a course guru, this would mean he and his friend would be defrauding people by claiming he was successful in e-commerce, he would have him show off fake results and have fake articles written about him just like he did about himself.

Quoting noah: “**This is when we were working on the course we did together, so idk if you remember when we started that course I literally had no money, I wasn't making anything**”, so let's think about this for a second, someone who had no money was about to launch a course and teach others how to make money!?! They actually launched it, and it lasted for some time, they ran ads but eventually gave up, and Luca went on to start Netz Trades and Netz Commerce. You can see them discussing this in the video below:

<https://rumble.com/v2nfhp4-6-luca-netz-on-starting-a-course-with-noah-who-was-broke-at-the-time.html>

Noah also had an article written about him, which we suspect was paid for. The article claims he became a dropshipping millionaire by age 20, the question we raise is, why would a millionaire need a small investment from Luca to start his new business?

Months later Luca and Peter Lobanov (shareholders of pudgy penguins) invested in Noah's new company socialsnowball.



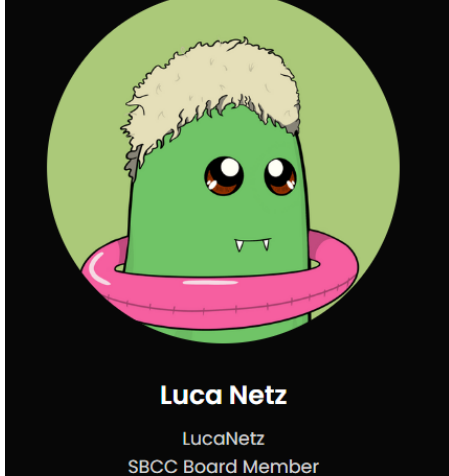
The NFT Grift

What very few know is that Luca actually launched several other NFT projects prior to acquiring Pudgy Penguins. These projects were secretly ran by Luca and his team members. Here is the evidence we've gathered.

The Pudgy Penguins acquisition was funded collectively between Luca Netz, Lorenzo Melendez (aka 0xLoMel) and Ulysses Atkeson (aka UnLink, CowboyUly) from [Cowboy Labs](#), and Charles Kieu (aka ICanPlug, evaded, evaded.eth). [This address](#) was funded the day of the Pudgy Penguins purchase announcement; roughly 68% of the received funds were then sent to a [Coinbase deposit address](#) which had been previously used multiple times by the [Pudgy Penguins Deployer](#). The wallet used for the purchase is/was controlled by Luca, as later transactions send funds to unmarked, alternative wallets Luca owns.

The funds provided by Luca and the Cowboy Labs team can be directly linked back to multiple projects that were (soft) rug pulled. Specifically, Luca's and Cowboy Labs' Spooky Boy Country Club (SBCC), their sister collection Spooky Boy Mansion Party (SBMP), Demi Gods Universe (DGU), Donut Shop (DS), and Cookies N' Kicks (CNK). All of these projects, in part or in whole, have failed to deliver on their original promises and roadmaps

SBCC seems to have been Luca's first introduction to being a project founder or, according to the SBCC website [team page](#), a "board member". However, Luca's position solely as a board member is called into question when looking at the on-chain activity of the [SBCC Deployer](#) wallet and the source of funds for the deployer.



The funding wallet for the SBCC Deployer, [0xa0ce](#) (SBCC Funder) is one of Luca's early personal wallets. This link is easily established due to the following two connections. The first being SBCC Funder's "sale" of [BAYC #9608](#) to Luca's current public wallet, [0x3f8c](#), which saw the sale's proceeds sent to a [Coinbase deposit address](#). This Coinbase deposit address has received deposits from both SBCC Funder and a confirmed Luca alt wallet; this connection is strengthened by one instance in which this deposit address received funds from both previously mentioned wallets a mere 13 seconds apart, a single Ethereum block ([Tx 1](#), [Tx 2](#)). The Luca alt wallet in connection has both sent and received ETH from Luca's main wallet as early as September 4th, 2021 and as recently as April 9th, 2023. The second connection proving this wallet belongs to Luca is simply the fact that SBCC Funder has both received and sent funds to both Luca's main wallet and alt wallets over the past two years ([Tx 1](#), [Tx 2](#), [Tx 3](#), [Tx 4](#), [Tx 5](#)).

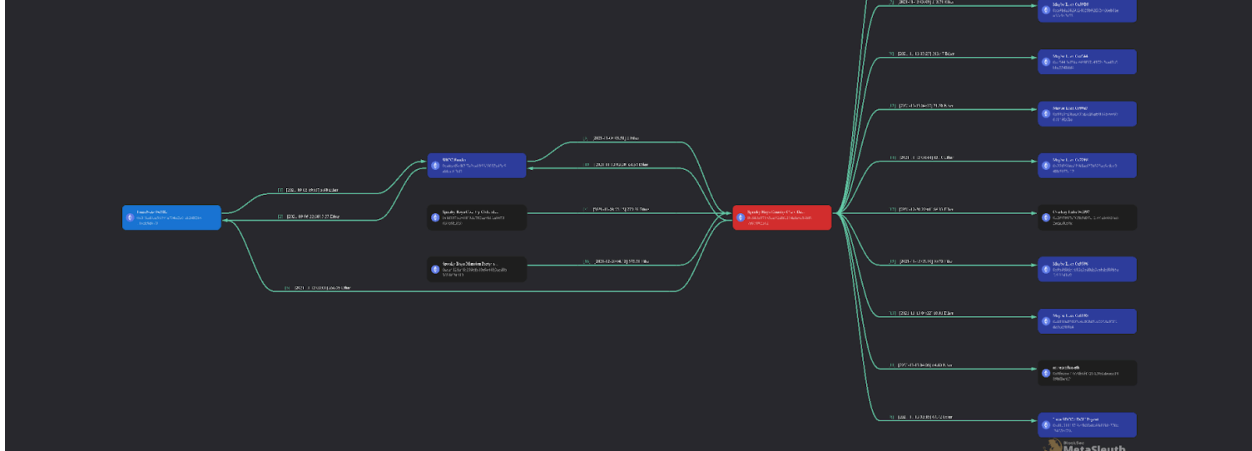
After withdrawing mint funds from the SBCC contract, SBCC Deployer dispersed funds to ten primary wallets and various other wallets which received small amounts. Of these ten primary wallets **eight** of them can be confirmed to belong to Luca through on-chain activity. These eight wallets include Luca's main wallet, SBCC Funder, and a wallet used in Luca's future rug pull, DGU. The remaining two wallets are cowboylabs.eth and minecraftco.eth. Minecraftco.eth seems to belong to a collaborator that worked with Luca on some of his early projects, seemingly as a marketing director; the address has multiple transactions with known marketing service providers, including [Snow Promotions](#). Interestingly, it seems this is where Luca started his relationship with the Cowboy Labs team sending roughly 76 ETH from the SBCC Deployer to cowboylabs.eth.

SBCC's sister collection, SBMP, would be [deployed 36 days](#) later netting ~575.5 ETH. Six days after the initial deployment of the contract, the overwhelming majority of mint funds would be dispersed to seven of Luca's wallets including four alt wallets, his main wallet, and the SBCC Funder. The remaining funds would be sent to an unmarked Cowboy Labs address, minecraftco.eth and various other miscellaneous wallets. A third collection would be also released, SpooKeys, but this was a free claim for existing SBCC and SBMP holders.

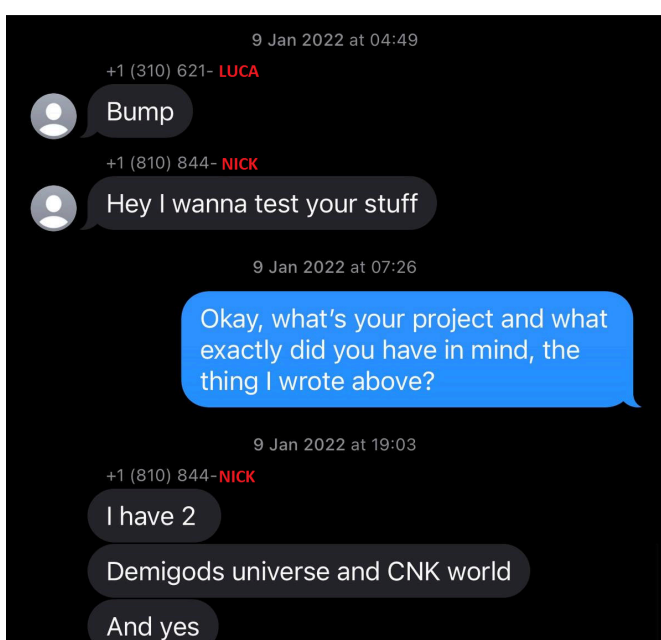
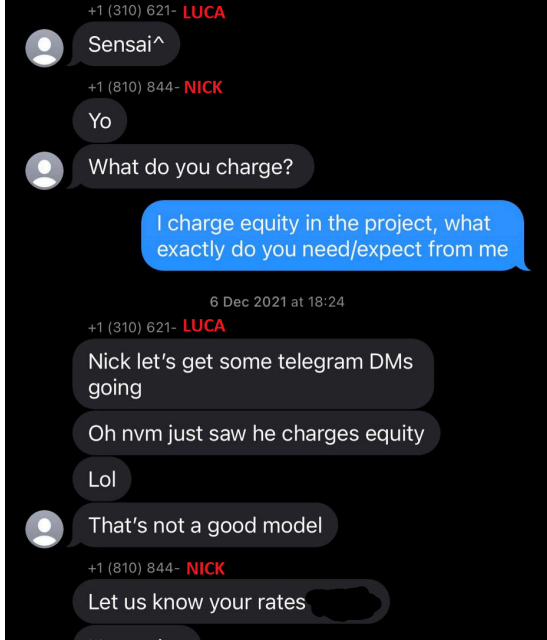
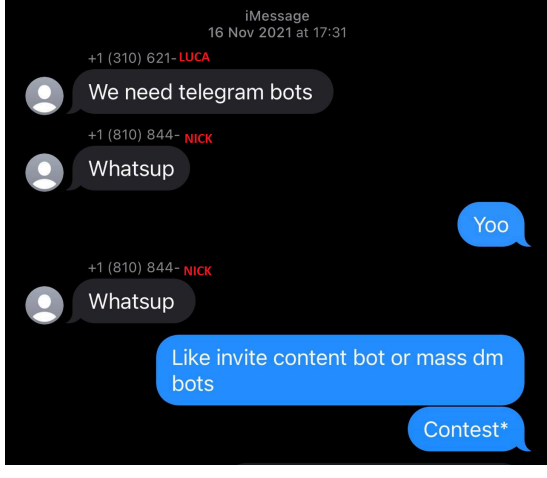
All of Luca's alt wallet can be traced back to him by noting simple ETH transfers between them and his main, public wallet or other wallets that are confirmed to be his (through on-chain activity, such as SBCC Deployer), having the alt wallets share exchange deposit addresses with his main wallet, or having subsequent activity with alt wallets confirmed to belong to Luca.

Chart:

<https://metasleuth.io/result/eth/0xf7ae375da3bc2be346157159cedc2d2effe7797fa6f2622c347506b2a758a1cb?source=b6b9331e-28f6-4f5e-8e4d-0b2bb3b049dc>

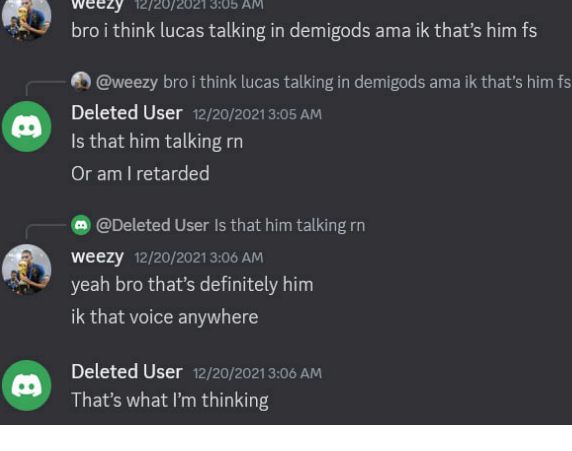
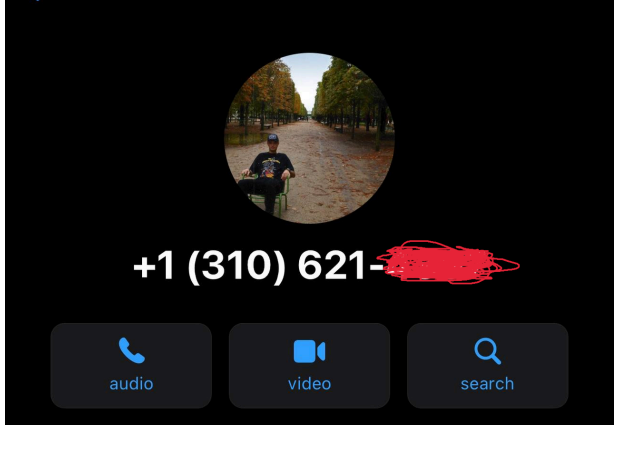
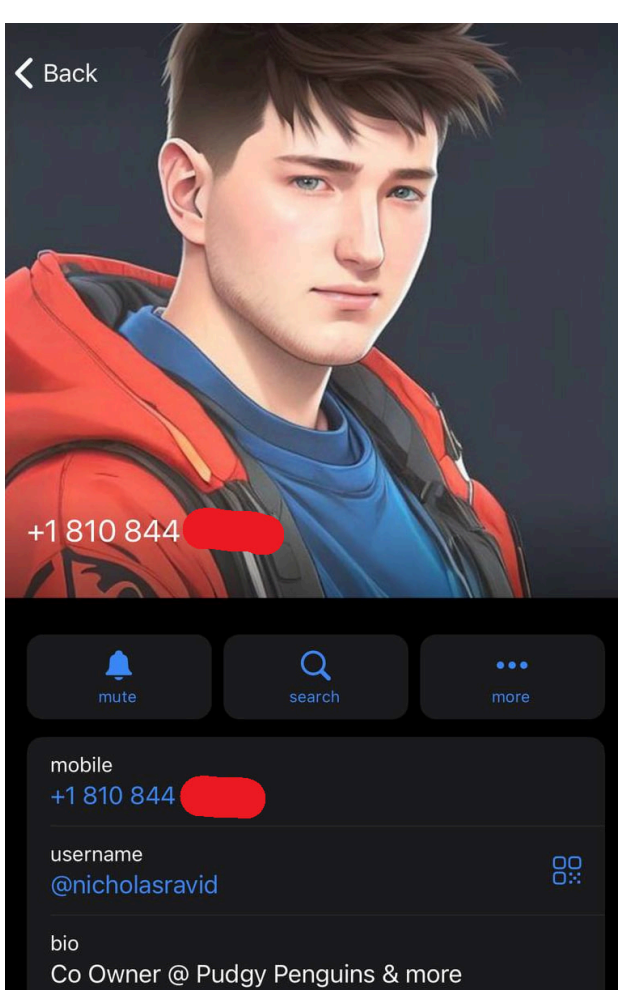


On January 9th 2022 Luca created a group chat with his partner Nick, and someone who offered NFT promotion services, they were asking what services he offered. When asked what projects they were looking to promote Nick answered "Demigods universe and CNK world". They were looking to purchase "telegram shilling" services. The source who provided these screenshots asked to stay anonymous.













Contacting some of his associates we've confirmed this to be Luca's number, when we added this number to our whatsapp contacts and Luca was in the profile picture, when we searched it up on telegram it had a pudgy profile picture. In the pictures below you can see most of the number, we didn't want to leak the whole number so that we are not violating any twitter guidelines, but we left just a part of it so that all of those who have his number can verify themselves that this was indeed him. Also some members from Netz Trades discord also suspected that Luca was the one speaking on the Demigods twitter spaces.

By searching his friends number on telegram we've found an account [@nicholasravid](#) who claims he is the Co Owner of Pudgy Penguins in his bio.



Luca is also the 5th biggest holder of demigods and holds 9 CNK, this is his public wallet: <https://etherscan.io/address/0x3f8cD3cc58391E704A2A0fab2482B8116Cb9D670>

Owners Top 100			
NAME	WALLET	OWNED	% OWNED
 191689	0x1916...9763	67	2.14%
 TheLegendOfD...	0x5415...39e7	41	1.31%
 84FAD4	0xb4fa...a45c	33	1.05%
 TheDemiGod	0x306d...6049	29	0.93%
 Penguinetz	0x3f8c...d670	29	0.93%

Owners Top 100		
NAME	WALLET	OWNED
 AB5572	0xb055...6807	10
 22F376	0x22f3...b149	10
 Penguinetz	0x3f8c...d670	9
 macbannai	0x0514...da83	8
 YKB350Z	0x6bf5...4bc9	8

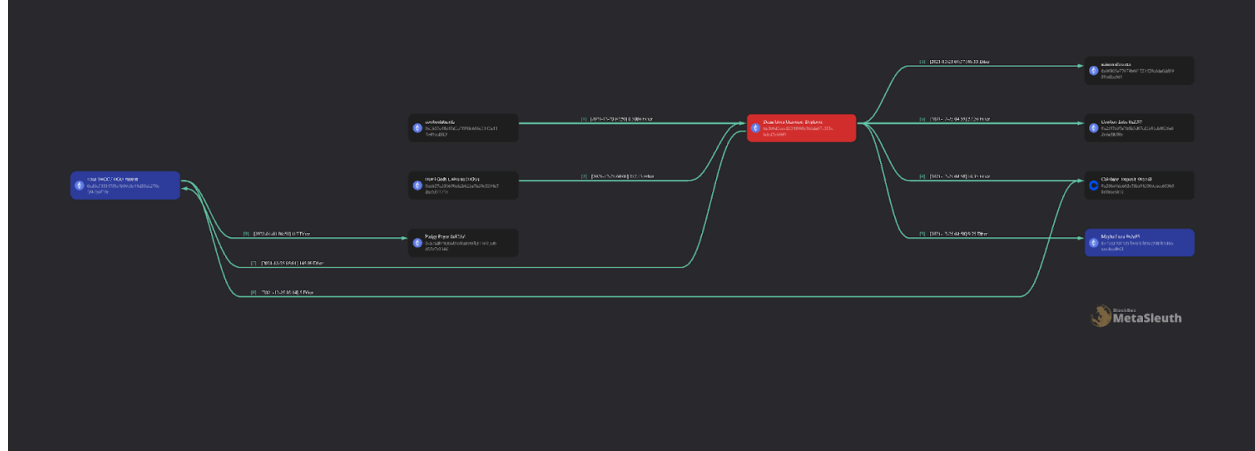
Demi Gods Universe

Luca's next rug pull, Demi Gods Universe. DGU seems to be the first "official" collaborative project between Luca and Cowboy Labs. This is demonstrated by the fact that cowboylabs.eth provides the [initial funding for the DGU Deployer](#). Roughly five days after contract deployment, 272.28 ETH was [withdrawn from the DGU contract](#), between two transactions, and dispersed to a [Luca controlled wallet](#) (which also received his cut of mint funds from SBCC), a [Coinbase deposit address](#) belonging to Luca, a Luca alt wallet, mincraftco.eth, an unmarked Cowboy Labs address, and a [Gnosis Safe](#) which briefly collected royalties for the DGU collection (the Gnosis Safe was quickly emptied and funds were sent to a wallet most likely controlled by jay724.eth). In total, Luca received roughly 63% of the mint proceeds from DGU. Nine minutes after receiving his portion of mint funds, 5 ETH was sent to the previously mentioned Coinbase deposit address confirming that it, indeed, belongs to Luca.

A large portion of Luca's cut from the DGU mint would be [consolidated into a wallet](#) that would go untouched for almost 50 days; 41 days after the wallet's first outgoing transaction, it would provide [250 ETH](#) for the acquisition of Pudgy Penguins.

Chart:

<https://metasleuth.io/result/eth/0xce1435b7580aa99793a6ca6e492a0250852cfff1a1bafc0f569500cc7f0c9cf?source=a71ad53a-d374-4011-be46-841322f95ea2>

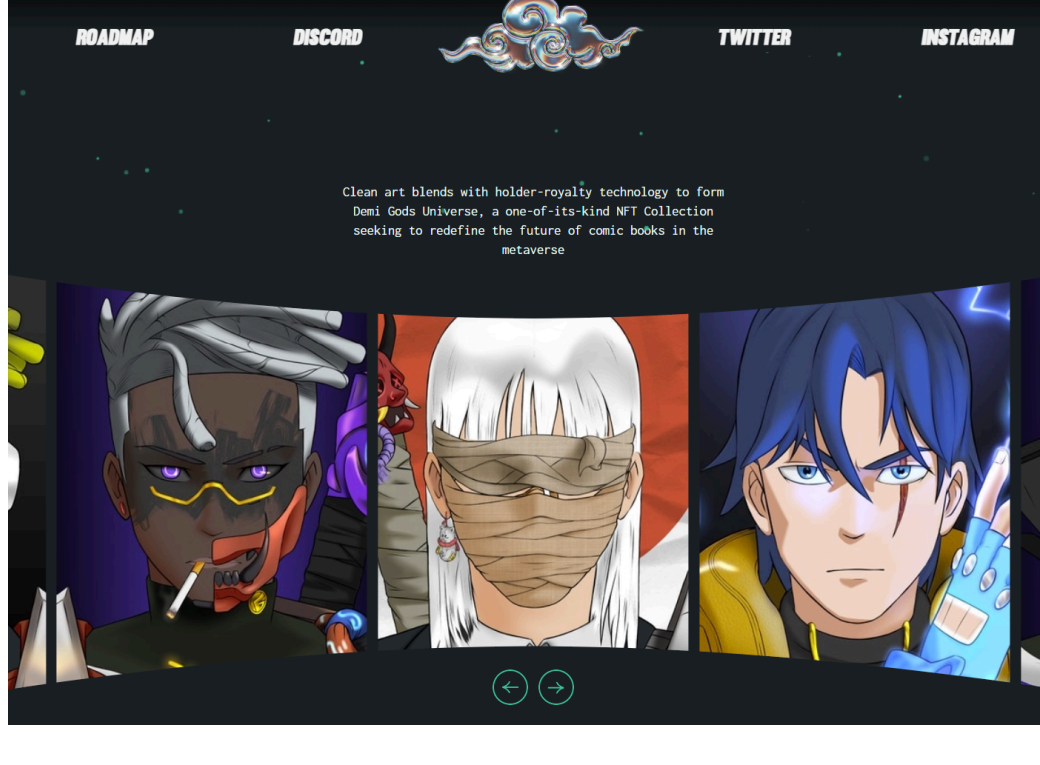


This project was launched on December 21st 2021, the collection minted 3120 pieces for 0.1 ETH each, making Luca and Nick a profit of 312 ETH which was worth \$1.37M at the time.

Taking the average of the last 10 NFTs sold, they trade at a whopping \$0.74 per NFT, this is a 99.84% drop from the minting price.

They've decided to shut down both their discord and their website, but with the help of web archives we are able to see what their website looked at the time and investigate the full list of promises that they've made.

<https://web.archive.org/web/20211223030424/https://www.demigodsuniverse.com/>



List of promises:

"(Q4 2021) - Everyone who mints will receive exclusive access in the Discord and will begin receiving benefits from the universe" – **The discord has been shut down since.**

"(Q4 2021) - Once all Demi Gods have been given their path by the universe, and are sorted into their factions, each faction will be airdropped a secret weapon. The secret weapon will be used as a voting mechanism in our Demi Gods Universe DAO and Demi Gods will be able to use them in the eternal war. Secret weapons let Demi Gods choose how they want to fight in the eternal war." – **The DAO was never launched, there was no "eternal war", and the weapons had had no functional utility.**

"(Q1 2022) - The Demi Gods Universe first comic collection will release. Holders of Demi Gods will be receiving massive benefits from the Comics. Holders of Demi Gods will receive 30% of sales collected from our exclusive Demi Gods comic book. Traits that are used in the comic books receive an additional 40% of sales on top of the 30% given to holders. This 40% is contingent upon characters, traits and faction in each comic series. Additionally, if you are a one of one holders, you will receive a total of 5% of comic book mint every quarter." – **The comic collection was never released, the holders received \$0.**

"(Q2 2022) - The Demi Gods Universe will be collaborating with another NFT that we will feature in our comic book. This will allow new Demi Gods joining the universe, and we will be able to provide more utility by collaborating. Holders will receive the same benefits as before, and the Demi Gods Universe commanders will make sure the collaboration is strategic to ensure maximum value for the Universe and its holders." – **None of this happened.**

"(Q3 2022) - The Demi Gods Universe meets paper! We will be working with the best publishing agencies as well as the best comic book artists on our hard copy comic book launch Holders will receive 5% of worldwide comic book sales and will be invited to our official launch party!" – **The holders were not awarded any percentage of the sales, and the official launch party was never conducted.**

The people in question have evidently engaged in securities fraud through misleading representations. These deceptive promises, which assured financial advantages and potential monetary returns based on a percentage of comic book sales, among other benefits, have never been fulfilled. Consequently, it becomes apparent that their actions have breached legal and ethical boundaries.

Luca and Nick also publicly [announced on their twitter](#) that everyone who mints their NFTs would automatically participate in a \$250,000 BAYC giveaway. This giveaway has never happened and they have effectively defrauded everyone who participated in the NFT mint. **This is a heavy violation of multiple US laws and it likely qualifies as Fraudulent Misrepresentation and Wire Fraud. We are hoping the relevant US authorities will act accordingly.**



What we also discovered is that this project is a somewhat copy of Divine Anarchy, both of the projects are designed in the similar anime style, both projects promise to launch comic books, both projects promise similar perks, they both mention some kind of an eternal war between good and evil, and both have planned to airdrop some items that will help them battle in those "wars", Divine Anarchy airdropped animals and Demigods Universe airdropped weapons.

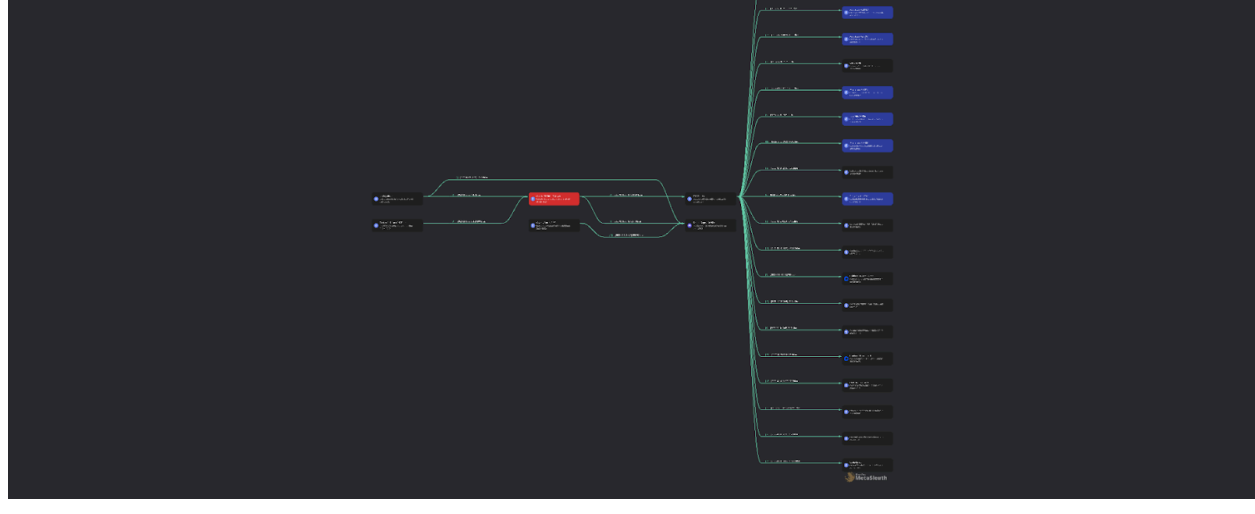
What's even more interesting is that Divine Anarchy was launched by Luke Belmar and shortly abandoned after causing a \$3m loss due to a faulty minting contract, Luke is also a shareholder of Pudgy Penguins and a long time friend of Luca Netz. We'll look into this later.

CNK World

Luca's final project in collaboration with Cowboy Labs would be Cookies N' Kicks (CNK). One day after being [funded by cowboylabs.eth](#), CNK Deployer would [withdraw 234.08 ETH](#) from the CNK contract and split these funds between a [Kraken deposit address](#) owned by Cowboy Labs and an [intermediate wallet](#) used to further disperse funds. These funds would be primarily split between Luca's main wallet, Luca's alt wallets, a consolidation address owned by Luca which would be used to pay for the Pudgy Penguin acquisition, and two Coinbase deposit addresses most likely belonging to Luca. The remaining funds, roughly 30%, would be split between various other wallets not controlled by Luca.

Chart:

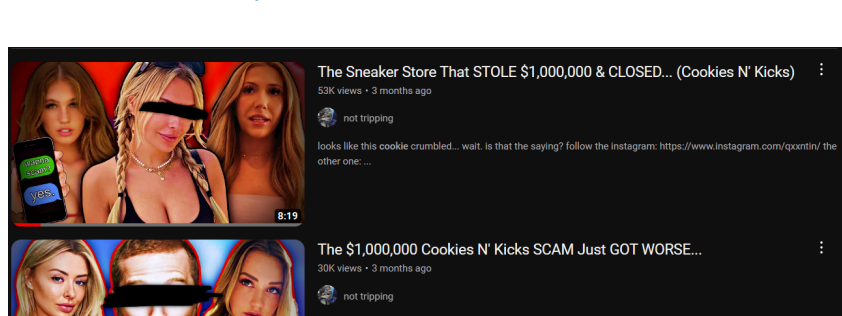
<https://metasleuth.io/result/eth/0x483b29deb863d43a630a23262eb90225a599655ec9e1a180dcaa930ad79b8721?source=ecd72eca-e9b6-4d03-8d58-33c179c3cb8d>



While we were finishing up our research on CNK we've come across a youtuber who's already made 2 videos about this scam. Below we'll be including our initial research with some additional information we've gathered after watching the videos. A connection with Luca and his other scams was never made in these videos, they were mostly focused on the second owner, Eli Hyman, but nevertheless we suggest you watch them if you are interested.

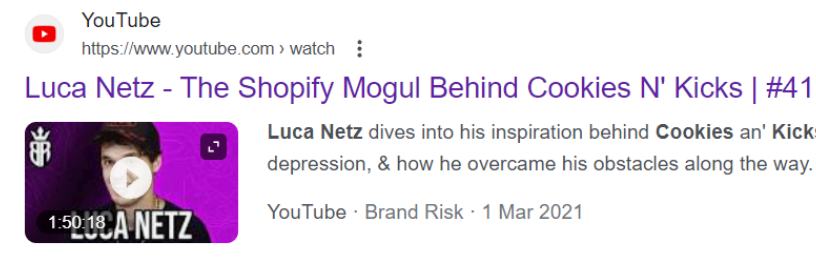
part 1: <https://www.youtube.com/watch?v=YjluOX2qOWo>

part 2: <https://www.youtube.com/watch?v=i3Wb52-u-zk>



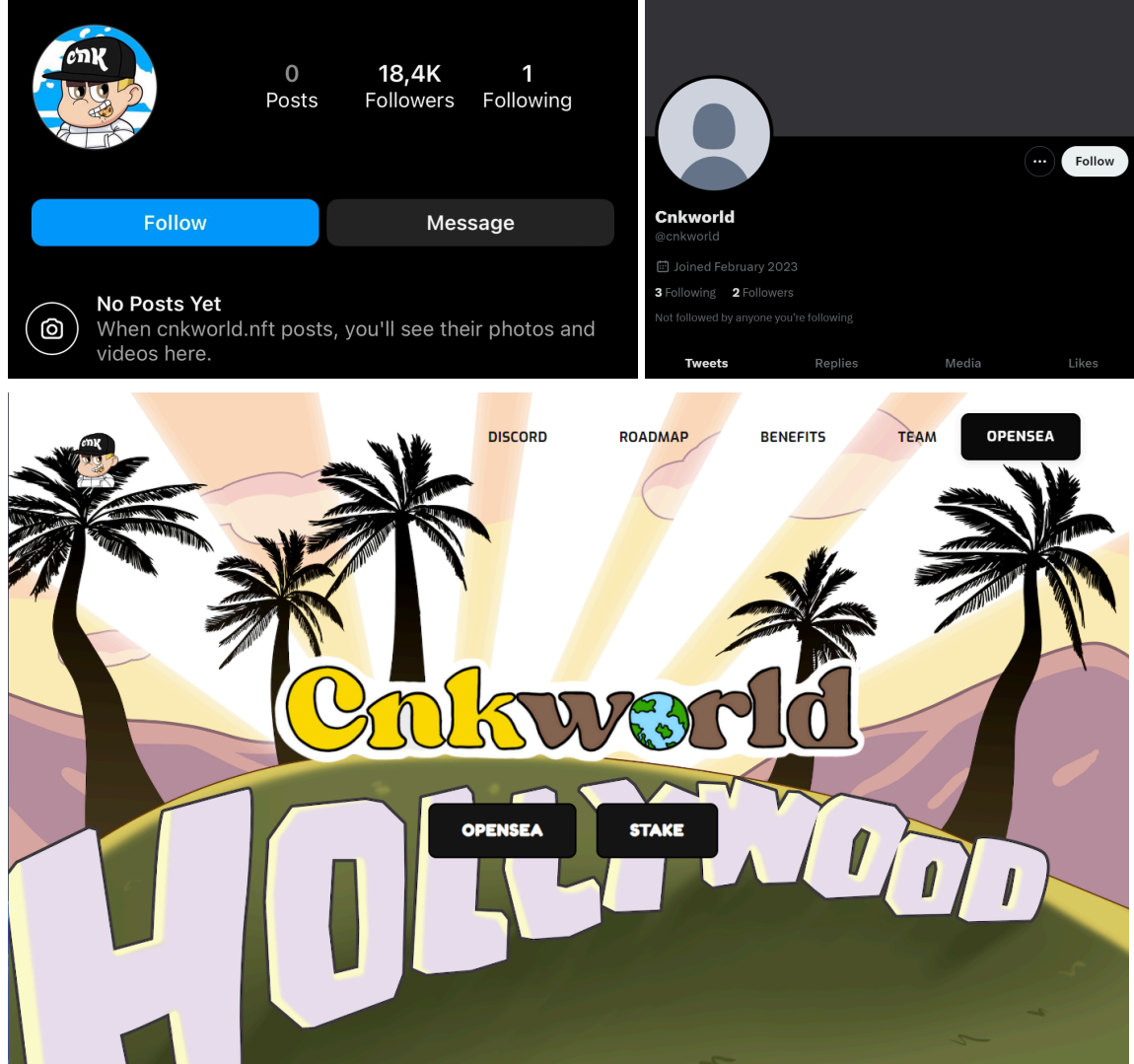
CNK stands for Cookies and Kicks, which is a sneaker store in Melrose Ave LA, who's co-owner is Luca Netz. He's publicly talked about his involvement with the store many times, and from the texts we've shared above we can see him inquiring about marketing services for CNK. He's even been on a podcast which was titled *"Luca Netz - The Shopify Mogul Behind Cookies N' Kicks"*. Below is a clip of him talking about it:

<https://rumble.com/v2nxloq-luca-netz-about-cookies-n-kicks.html>



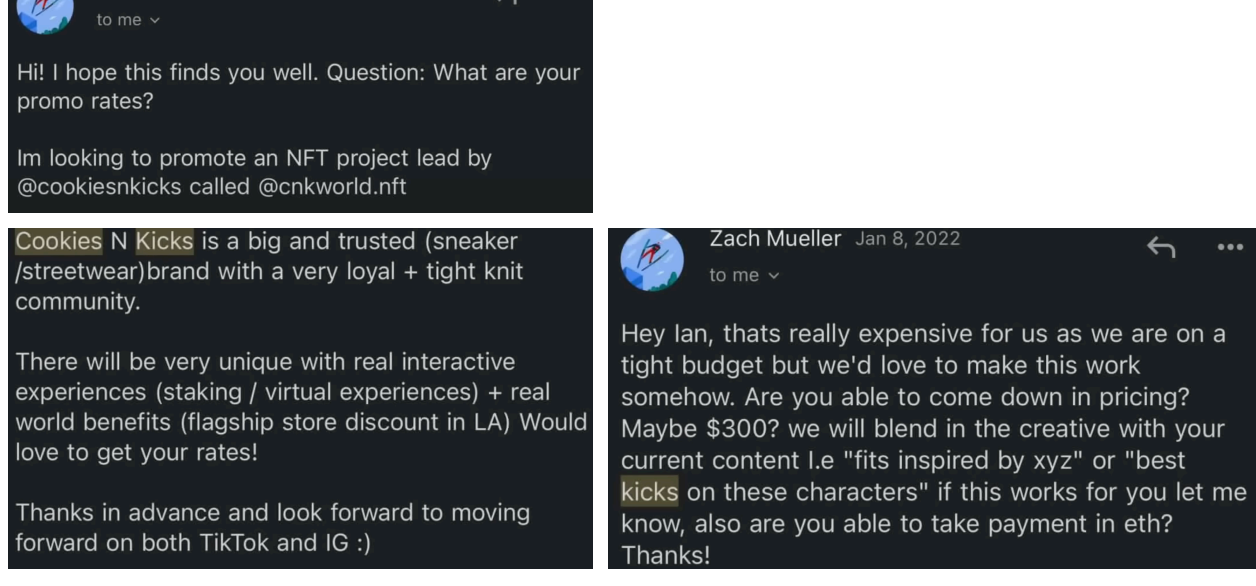
Alongside the Demigods scam Luca decided to use the brand of his sneaker store Cookies N' Kicks, to launch this NFT scam, the CNK world.

By now any mentions of CNK World have been scrubbed off the Cookies N' Kicks social media. Their twitter account has been deleted and the username was taken by someone else in February, all of the discussion channels were removed from their discord, and all posts from their Instagram page were deleted. Today only their website remains cnkworld.io.

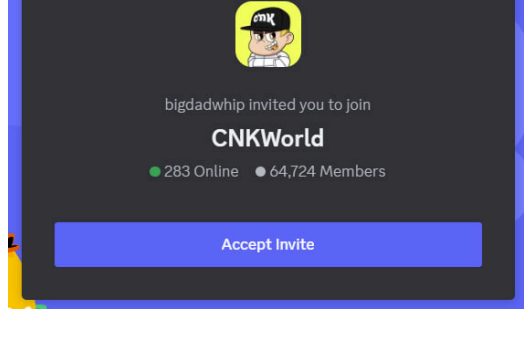


We suspect they might delete their website after our research is published so here is a web archives link of their website: <https://web.archive.org/web/20220209092537/https://www.cnkworld.io/>

In order to promote this NFT project they were buying ads from Instagram pages and TikTok influencers, below are emails that they were sending out to tiktokers asking them about their rates.



One of the paid ads specifically talks about the rapid growth of CNK and how they quickly gained 80k members in their discord. Based on the fact that only 0.43% of the CNK discord members are active, we believe that Luca purchased and added fake members and fake followers to his social media pages to create a perception of credibility and value, just the way he was [teaching in his course](#).



The CNK World NFT drop was on February 9th 2022, the mint price was 0.1 ETH, 3150 NFTs were minted resulting in a 315 ETH of profit, which was worth \$961k at the time.

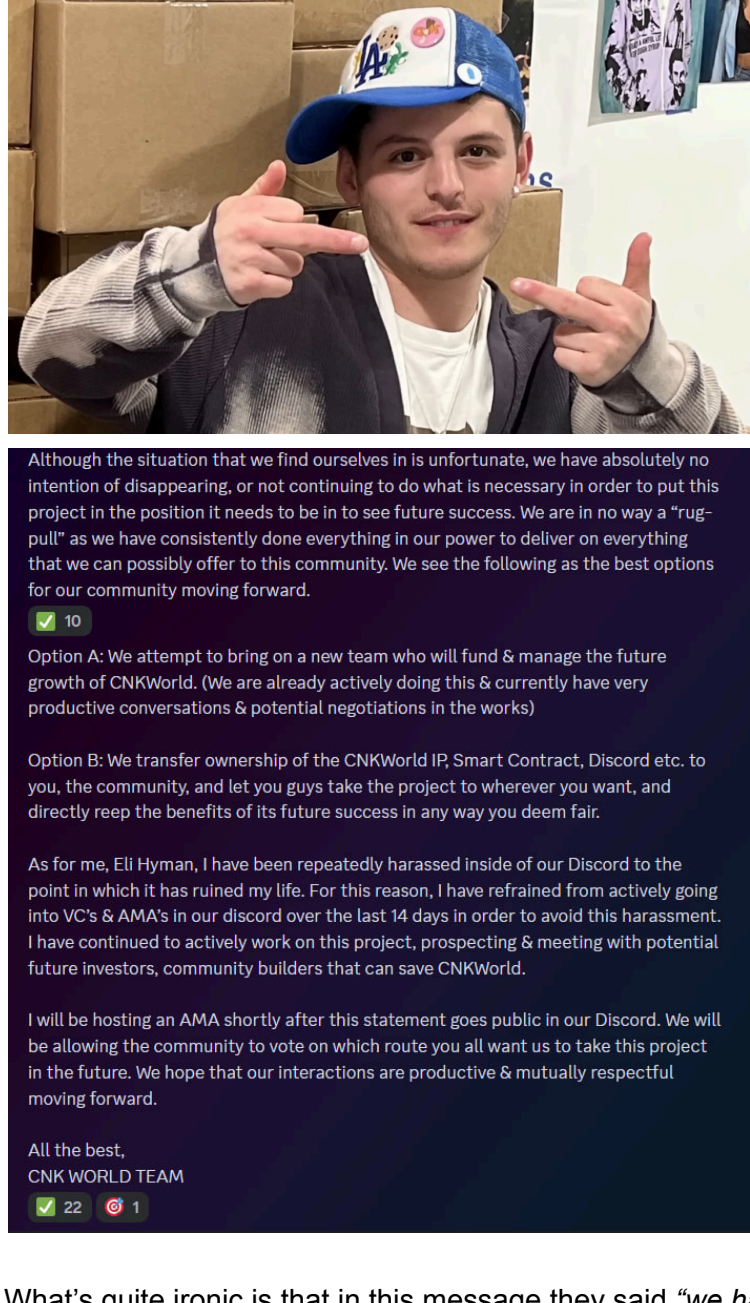
Taking the average of the last 10 NFTs sold, they trade at a whopping \$9.1 per NFT, this is a 97% drop from the minting price.

These are some of the promises they made:

- “Lifetime membership to CNK University, featuring online courses, online seminars, podcasts, and more” – **This was never fulfilled, there is no CNK University, there are no courses or seminars.**
- “Exclusive access to private Twitch events hosted by and featuring major streamers” – **This never happened.**
- “A select number of Chip holders will be flown out to Los Angeles where they'll be a featured cameo in our CNK cartoon series” – **Just like he promised comic books for Demigods, Luca made an even bigger promise to CNK holders, a cartoon series. He of course had no intention of fulfilling these promises, so neither the demigods comic book nor the CNK cartoons ever came to fruition.**
- “10% off discount at Cookies N Kicks for 365 days” – **The store is permanently closed.**

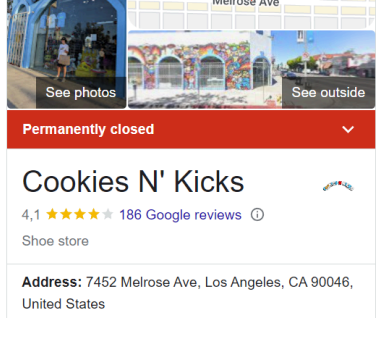
Just like all the other projects that these fraudsters were involved in, on May 12th 2022 they announced that they are abandoning the project.

Here is the message that Eli Hayman, co-owner of CNK, posted in the discord announcements channel, proposing 2 options to their NFT holders. Option A is that they bring on a new team who will replace them, option B is that they transfer the ownership to the community. Full message is below:



What's quite ironic is that in this message they said “we have absolutely no intention of disappearing, or not continuing to do what is necessary in order to put this project in the position it needs to be in to see future success. We are in no way a rug-pull”. They did just that, the last announcement on their discord and the last activity across all of their social media was 11 months ago.

Even the actual sneaker store has been closed, apparently most of the employees decided to leave after they became aware of the scams perpetrated by the owners.



This act of abandonment has effectively occurred every time this group of people was behind something, as we go over more fraudsters from this group you'll see many more examples of this. This is why we believe these people are not fit to run Pudgy Penguins or any other business for that matter, and that it's only a matter of time before they abandon this project and defraud people for more money in the process.

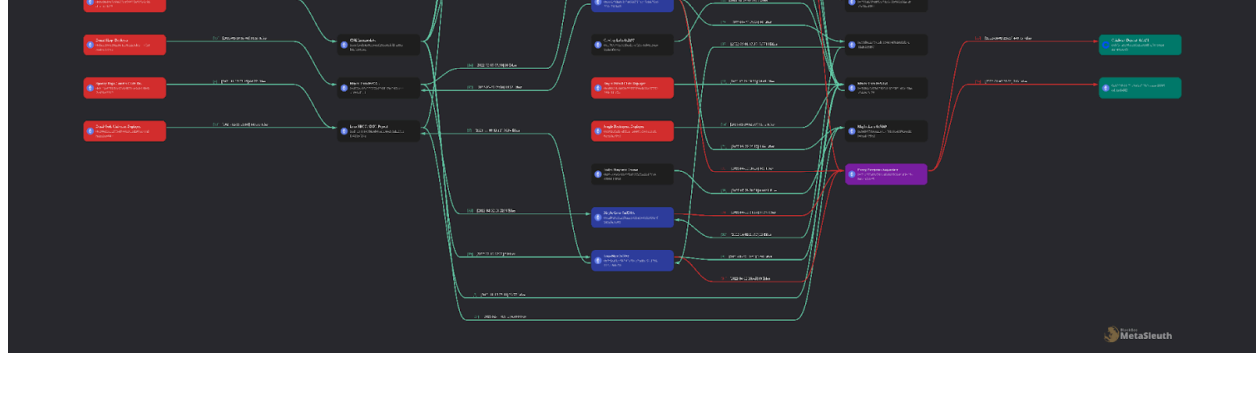
Pudgy Penguins Acquisition

The funds used to purchase Pudgy Penguins were almost entirely obtained by defrauding thousands of investors in Luca's previous rug pulls. These projects include ones owned and directed by Luca including SBCC, SBMP, DGU, and CNK, as well as projects he advised or otherwise assisted in including Skulltoons and DS. The proceeds from these projects can be directly linked with on-chain activity to the address used to purchase Pudgy from Cole.

The [Pudgy Penguins Acquisition address](#) can be easily confirmed to be used in the purchase as \$2.2 million in ETH was sent to the address from various exchanges as well as various wallets owned by Luca and a wallet owned by Charles Kieu. Over the next 10 minutes, 662.75 ETH would be split between a [Coinbase deposit address](#) and [another EOA](#), receiving 67% of 33% of the funds respectively. The Coinbase deposit address had been previously used by the original Pudgy Penguins Deployer wallet as well as jonahtj.eth. The EOA most likely belongs to Cole, as the same address was forwarded the Blur airdrops for MyFuckingPickle, [which he founded](#), as well as CryptoFoxes, [which he assisted in promoting](#). 23 minutes after splitting the funds, the official [Pudgy Penguins Twitter](#) account and [Luca](#) would tweet about the acquisition.

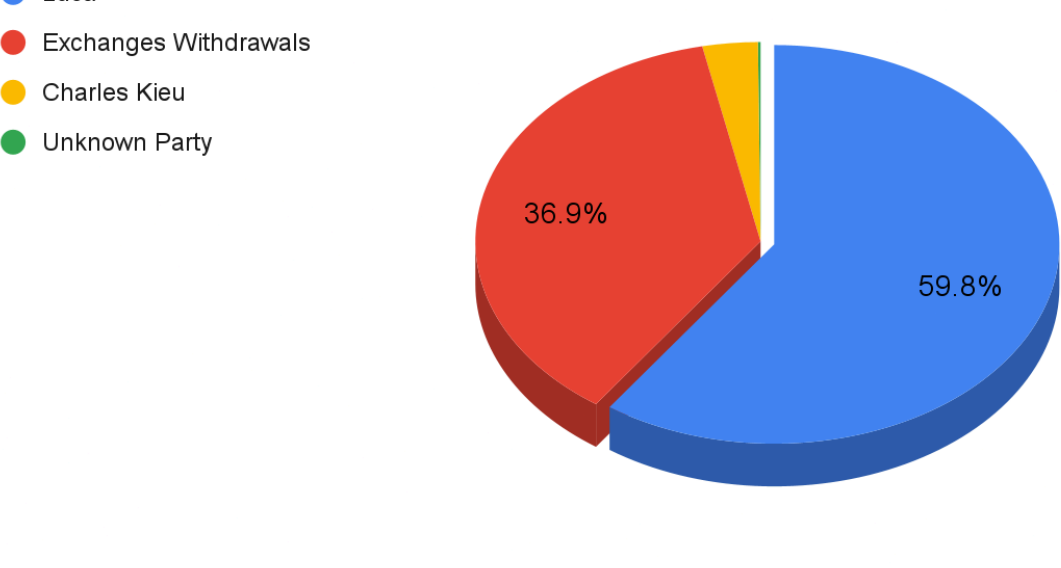
The first wallet to send funds to the acquisition wallet was [Pudgy Payer 0x82Ad](#). This address acted as a consolidation address for [Luca's SBCC and DGU payouts](#) as well as [Luca 0x59B8](#); both wallets have interacted with each other as well as have received or sent funds to Luca's main wallet or SBCC Funder (which we previously established belongs to Luca). Pudgy Payer also receives funds from Luca's main wallet and a CNK intermediate wallet. The second wallet to send funds is a Skulltoons intermediate wallet. This address was the primary recipient of mint funds; ETH was dispersed to various wallets including four Luca alt wallets (there are other wallets that are connected to Luca), totaling 41.81 ETH, and Pudgy Payer totaling 100 ETH. 20 hours later, Luca's main wallet sends a total of 19 ETH between two transactions to the acquisition; one hour later, a Luca alt wallet funded Skulltoons and DS sends a total of 31.75 ETH as well.

Chart:
<https://metasleuth.io/result/eth/0x9998de6a33ba91c0b1e44f7d59b01614d7b32a28edba100649baae06e8da8559?source=bdbae7e05-a1ed-4cf3-a093-76ec46f4f80c>



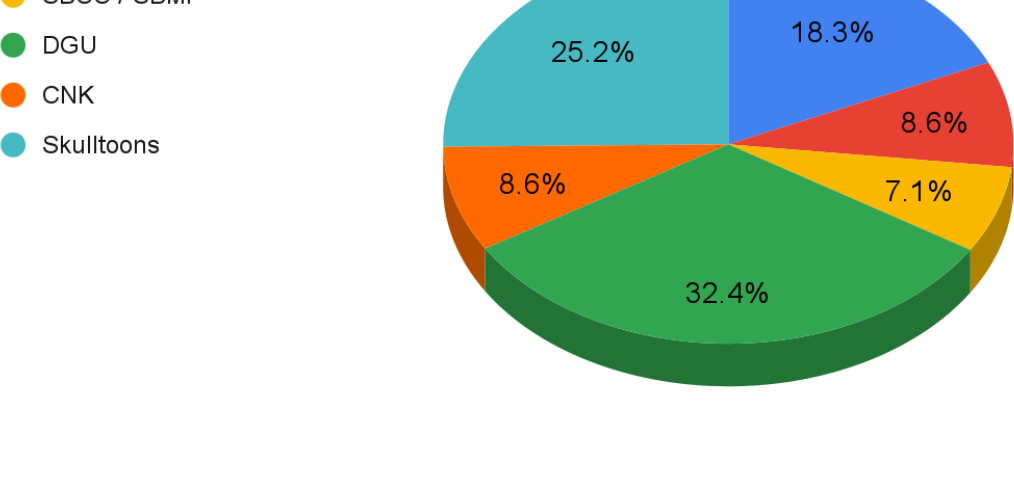
Pudgy Acquisition Contribution

of a total ~670 ETH purchase price



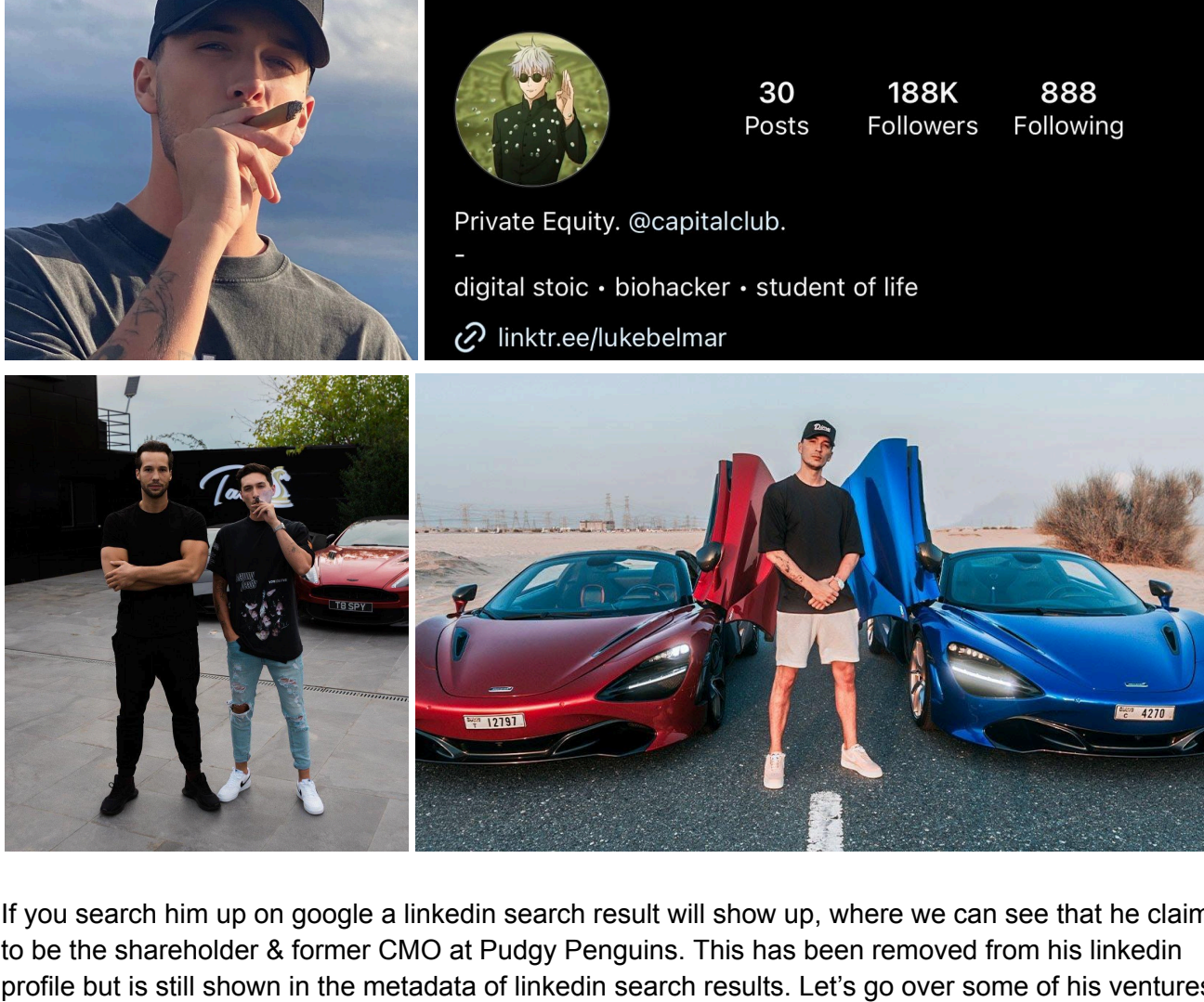
Luca Contribution Breakdown

99.06% of funds can be traced directly to previous projects

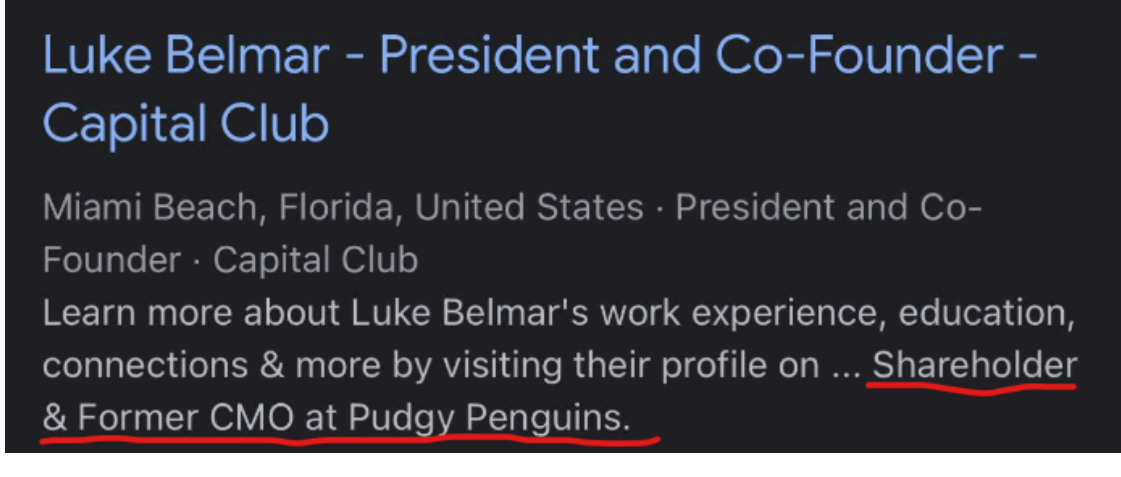


The Assetbender

Luke Belmar or like he likes to call himself “The Assetbender” is a long time friend and business partner of Luca Netz. He is the former CMO and a shareholder of Pudgy Penguins, we believe most of the funds form the Pudgy acquisition contributions that came from exchanges were his, making him a 30% shareholder of Pudgy Penguins. Like Luca he also launched an NFT project, has a paid group, and multiple courses and e-books on dropshipping.



If you search him up on google a linkedin search result will show up, where we can see that he claims to be the shareholder & former CMO at Pudgy Penguins. This has been removed from his linkedin profile but is still shown in the metadata of linkedin search results. Let’s go over some of his ventures.

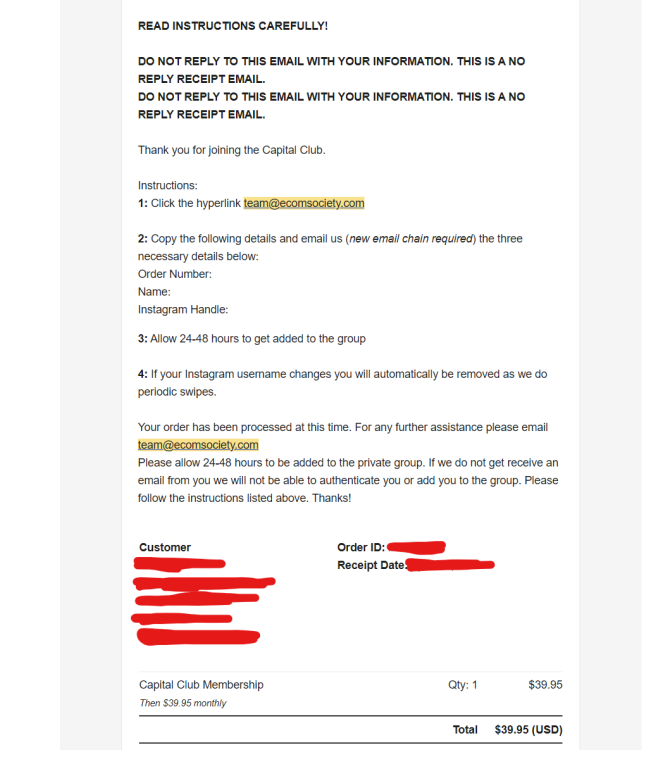


In mid 2021 Luke launched Capital Club, which was a \$40/m subscription that gave access to his private instagram stories, he claims he was only letting 400 people to join, if we were to believe what he says that would mean he was bringing in \$16K of profit per month from.

Luke promised to share “value” and “secret sauce” on his private stories, but he also promised that he will use 100% of the proceeds from the subscription to fund the development of his capital club app. This app was supposed to be an all-in-one package where members could have their own discussions, he also claimed he was going to bring some of the best health experts, financial experts, and lawyers to the app. The early subscribers were promised a multiple times lower price and some additional perks.

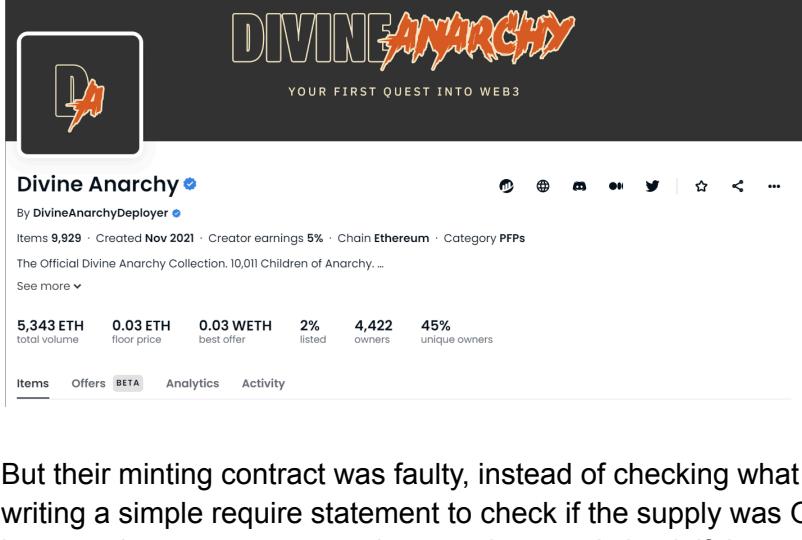
Over 2 years have passed and Luke still hasn’t launched this app, he hasn’t given any updates or explanations to his subscribers. Like Luca he also made it very difficult to cancel this subscription, you need to email the support and go through a long process in order to cancel it.

Here is a receipt one of the previous members shared with us:



Month’s after launching Capital Club, Luke felt the NFT wave was coming, so he decided to shift his focus on launching an NFT collection.This is also the collection that was later copied by Luca Netz who launched Demigods, we weren’t able to confirm that Luke was involved with Demigods.

On November 6th 2021 Divine Anarchy was launched, they sold out the whole 10,000 NFT collection at 0.09 ETH per NFT, resulting in a profit of 900 ETH or around \$4M at the time.



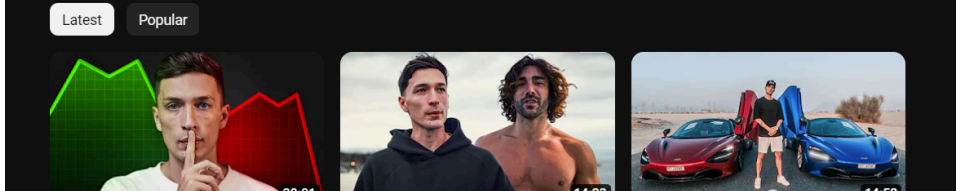
But their minting contract was faulty, instead of checking what numbers were available beforehand, or writing a simple require statement to check if the supply was OOS, the contract was made so that it keeps trying to generate random numbers and check if they were assigned. Which after all the 10k nfts were minted the owners obviously already were assigned, this caused a an infinite loop in the contract that ran until all of the gas was spent, causing over \$3M in losses to a people who tried to mint. On the day of the mint, Divine Anarchy was responsible for 30% of all the Ethereum fees collected by miners.

Even tho they made \$4m from the mint, they decided not to refund any of the affected people, many of whom burned thousands on gas fees and didn’t get anything. They just promised to launch another nft collection which is an extension of Divine Anarchy and airdrop it to the affected people.

Shortly after this Luke decided to abandon the project and hand it over to the remaining members of the team. Once repeating the same pattern like the rest of his friends.

That team seems to have continued to work on the project, they built out some features, and also airdropped a collection of NFTs to the people affected by the faulty contract. But unfortunately those nfts are effectively worthless.

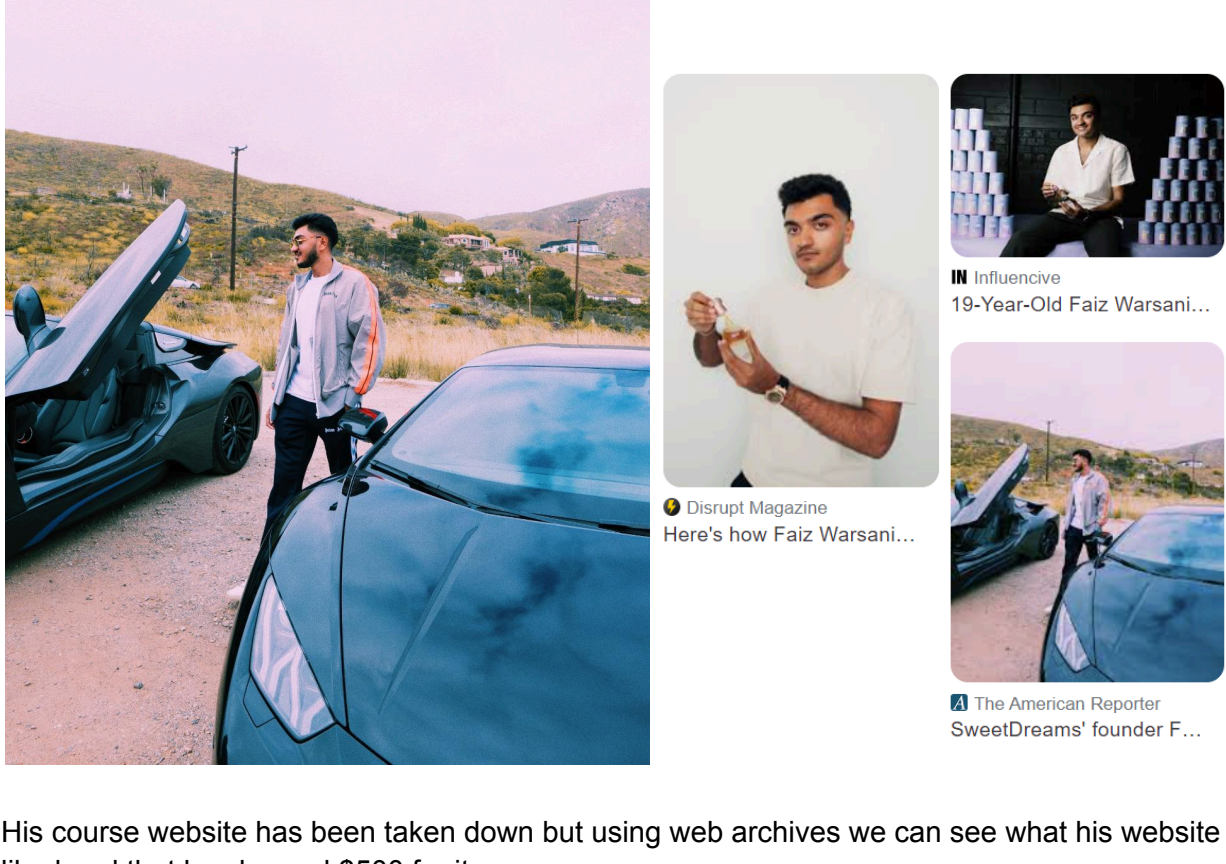
After abandoning his own project Luke decided to move on to a new grift. He used his proceeds to acquire Pudgy Penguins together with Luca. He also launched a red-pill youtube channel and with his newly amassed audience is in the process of re-launching Capital Club, but no, they still won’t produce the app he promised, he is launching it on discord...



Faiz Warsani

Another one of Lucas close friends who also launched an NFT project, has a dropshipping course, and also started his own trading group. By now we can all see a repeating pattern here.

Just like Luca Faiz has also bought fake press to create a perception of credibility. [Here are 6 fake news articles](#) we've discovered, published from media organizations that are known for selling this as a service, all within 1 month time spam.

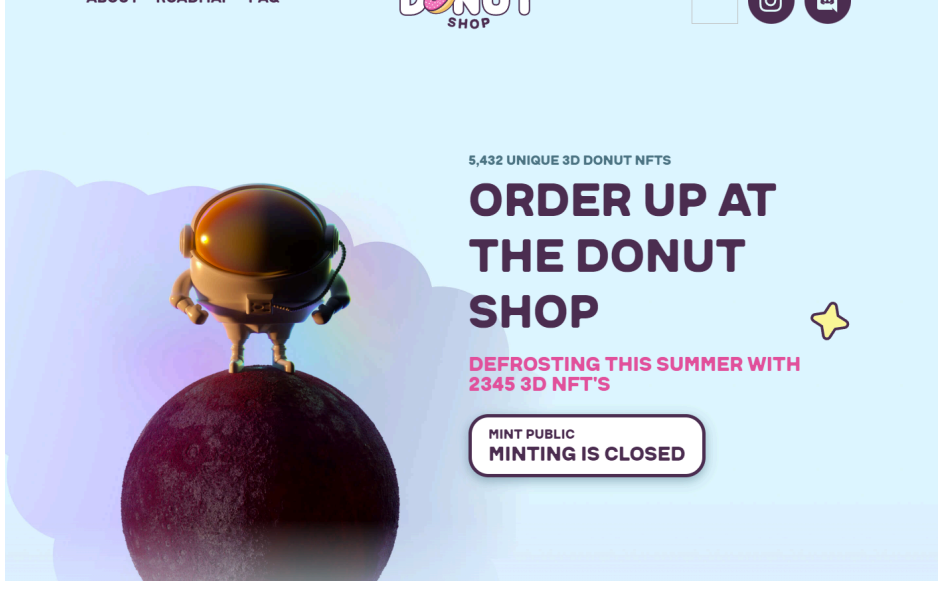


His course website has been taken down but using web archives we can see what his website looked liked and that he charged \$500 for it.

Link: <https://web.archive.org/web/20210226090241/https://www.futurcommercecourse.com/>

Donut Shop NFT

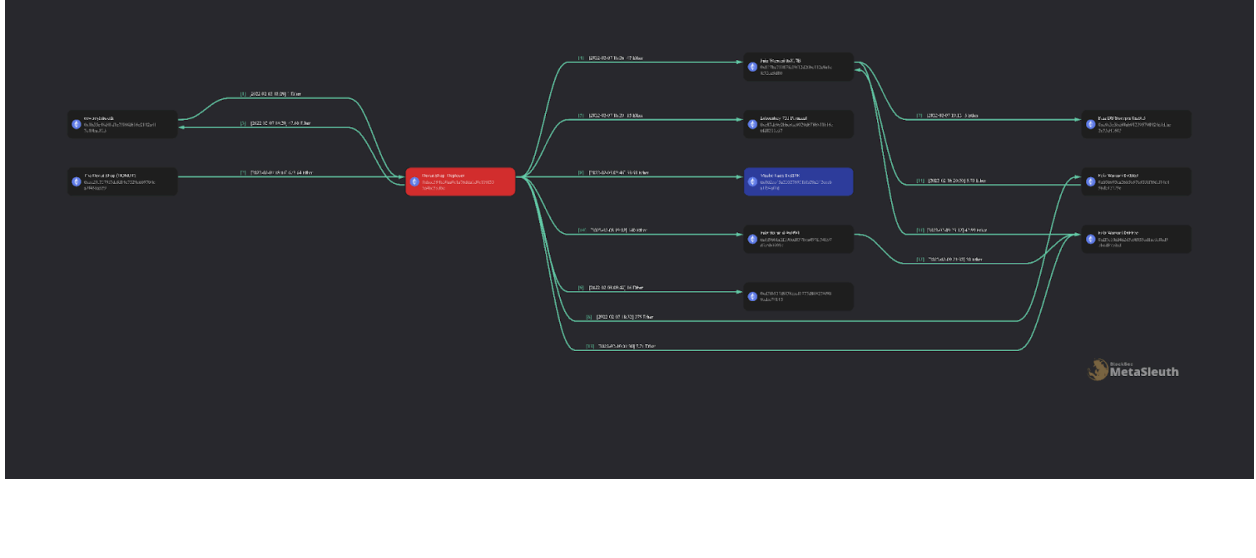
The Donut Shop was a project launched by **Faiz Warsani** in collaboration with Cowboy Labs and support from Luca and "Laboratory 721". The NFT drop happened on february 6th 2022, 3 days before Lucas CNK World NFT's were dropped. As with every other project, DS failed to deliver on its roadmap and promises.



Two days after deployment, the Donut Shop Deployer (DS Deployer) withdrew 673.64 ETH from the Donut Shop contract and distributed 84.5% of the funds to various Faiz Warsani-controlled wallets, 5% to Luca, ~7% to Cowboy Labs, ~2% to Laboratory 721, and the remaining ~1.5% going to various other wallets. Luca's cut of the DS mint funds would be split between Coinbase, his main wallet, and his alt wallets, with the remaining used to artificially raise the floor price of his next collection, Cookies N' Kicks which would release the following day.

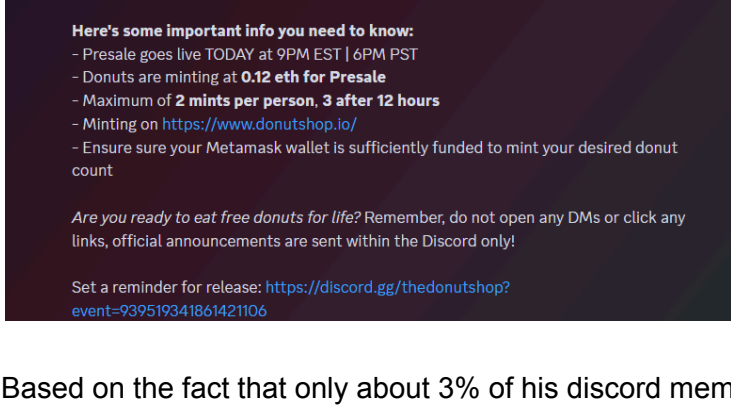
[A portion of Faiz's funds](#) were used to pump the DS floor price by purchasing 50 DS NFTs.

Chart: <https://metasleuth.io/result/eth/0x1b36966cfe5fb2dacc424875351da08e62ef1e5f17bf2a6930e770b1d066cde5?source=77e51fbe-2eb1-4fc2-a581-b4ced26afc36>

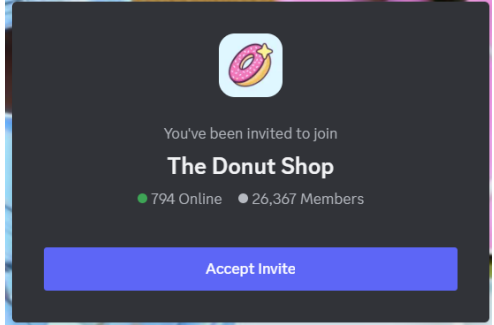


They sold out 5432 NFTs at 0.12 ETH per NFT, resulting in 652 ETH of profit or \$1.96M.

Taking the average of the last 10 NFTs sold, they trade at a whopping \$19 per NFT, quite impressive considering this is double what CNK is trading at. But unfortunately this is a 95% drop from the minting price.



Based on the fact that only about 3% of his discord members are online we suspect that Faiz also bought fake discord members and fake social media followers to fabricate credibility, just like Luca did with his 2 projects.



Of course this project was abandoned months after it's launch, none of the promises were fulfilled, the website was shutdown and the last discord announcement was sent 10 months ago.

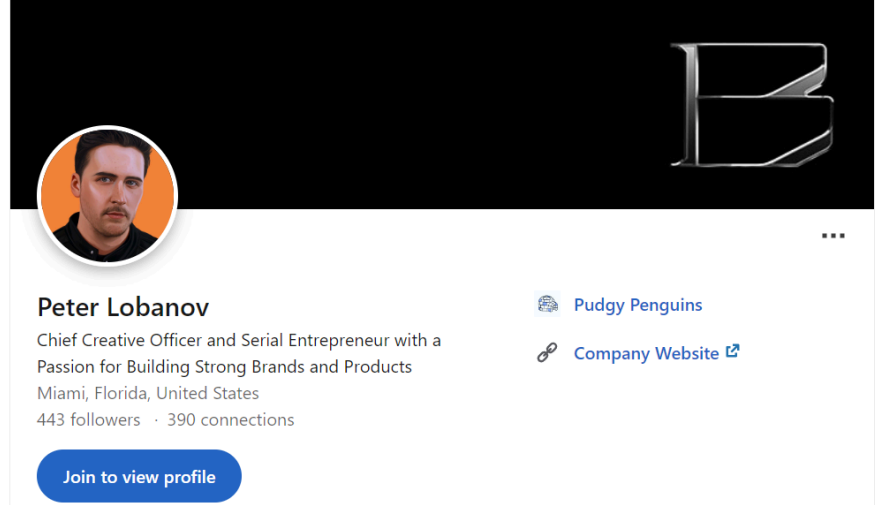
Website web archives: <https://web.archive.org/web/20220706000305/https://www.donutshop.io/>



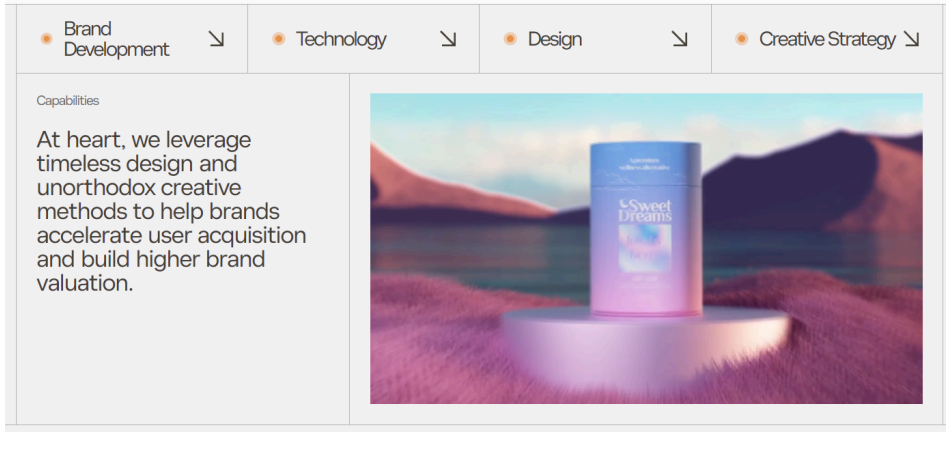
Ironically their last announcement says "We're almost there. ALMOST THERE!!!" and then they decided to go silent for the next 10 months.

Besides being Lucas good friend let's see what else connects Faiz with Pudgy Penguins.

Bureaux is a design agency owned by Peter Lobanov, Luca's business partner, childhood friend and creative director and co-owner of Pudgy Penguins.



Bureaux is responsible for developing the website and doing product mockups for Faiz's company [sweetdreams.io](#), they worked with Faiz before his NFT launch and continued to work with him after the launch. This makes us strongly suspect that Bureaux has also developed [the Donut Shop website](#), the design style of the website is very similar to the style of this agency, all of this can be seen on their website [bureaux.inc](#)



Faiz has also done 2 podcasts with Peter in the last 2 years, the most recent one even included Luca.

<https://www.youtube.com/watch?v=2YLdfMcBOpo>
<https://www.youtube.com/watch?v=e7LIGOrvf88>



In one instance on the podcast Faiz was teased by Peter about the donut shop, check the video below to see how uncomfortable he looked:

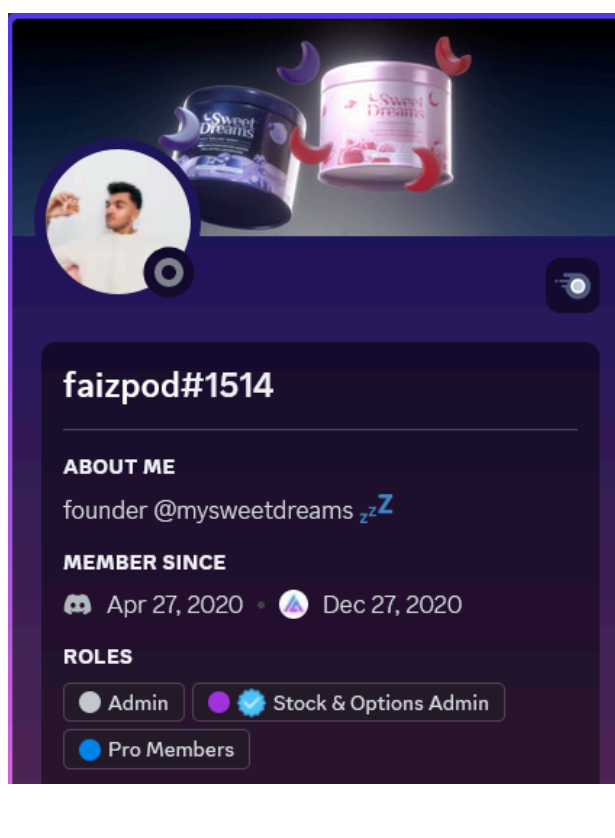
<https://rumble.com/v2o15qw-9-faiz-teased-about-donut-shop.html>

He also participated in a recent [Pudgy Penguins event](#).

Altho we were not able to verify that Faiz is a shareholder of Pudgy Penguin, we strongly suspect it based on what've found out.

Faiz Trades

As mentioned previously, Faiz started his own paid discord group but since not so many people were joining he shut it down and instead joined **Netz Trades** as a new "stock & options admin" who also received a share of profits.



Additionally, below you can see a picture of Luca, Faiz, and Mikey, another one of their close scammer friends, who is also a dropshipping guru, he also participated in the recent Pudgy Penguins event, but we won't dive into him this time. Here is a video Coffeezilla made on him almost 2 years ago:

<https://www.youtube.com/watch?v=5A-FF571F8>



Nick Von aka The Louis Vuitton Don

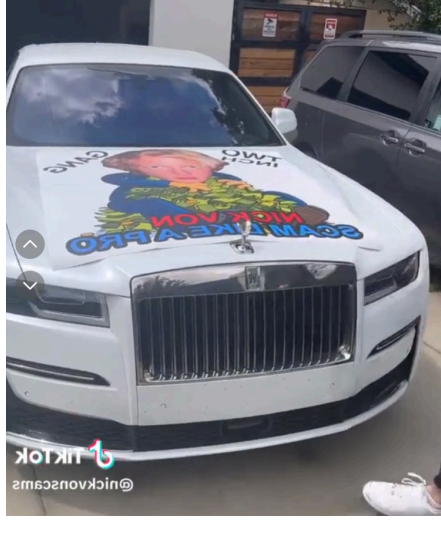
Meet Nick, another fraudster from this group, Lucas long time friend and business partner, just like Luca, Nick Von has launched paid trading groups and was involved in countless crypto currency scams, and if that's not enough, he also defrauded dozens of people, including his girlfriend and even his own grandmother.



First let's get into the most intriguing part of this. Recently Nick's girlfriend has been exposing him about for using her money, cars, houses and even clothing to flex on social media, and then using the clout he gained from flexing to go and scam dozens of people.

She has made a ton of videos on this, here are a few examples, to see more of them go on her twitter. They are truly incredible <https://twitter.com/nickvonscammer>.

As you can see she nicely decorated her cars, that Nick used to flex with.



Like many of his other friends Nick has also bought a lot of fake press, here are [10 fake articles that we've discovered](#).

When we spoke with his girlfriend she claimed that he took about \$100k from here and said that he is using it to trade NFT's, he also told her that he had "insider information about pudgy penguins", we suspect that he participated in the acquisition, since there is a big spike in volume before the acquisition was announced it's likely that him and his friends used the insider information to buy the NFTs, and to later dump them.

Here is a quote from her: "Initially, I intended to expose him as a fake millionaire, revealing that his extravagant displays on TikTok were nothing but a facade. However, as I dug deeper, I unraveled a web of fraud and deception that Nick Von had been weaving behind my back. It turns out he had been running a massive scam business for years, alongside two of his accomplices. Victims from the past five years started coming forward, providing evidence that Nick had swindled them out of sums ranging from \$6,000 to \$600,000, with a total number of over 20 victims and over \$5 million dollars. Unbeknownst to me, he had been using the assets I provided him to fuel his fraudulent operations."

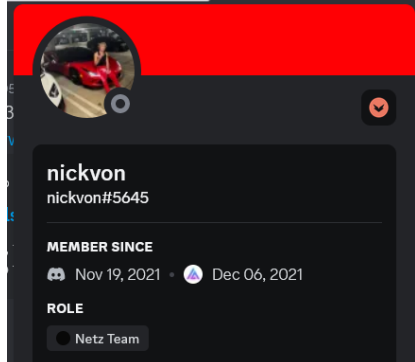
If you want to learn more about how Nick has scammed his girlfriend check out her website dedicated to him <https://www.lascammer.com/>



In a voice message that Nick sent to his girlfriend, we can hear him talking about how his long time friend (Luca) has invited him to create a trading group, he thought it would be a great idea for Nick to flex with "his" assets and then use the trading results luca provides him as his own, to get people to join and pay for the group, we suggest you to check it out and hear the way he speaks about it. Audio file: https://drive.google.com/file/d/1Q1VFpgM43m6GMvBC960ELPSRJXyY_tPQ/view?usp=sharing

Altho we can't verify that he participated in the acquisition, here is why we strongly suspect it:

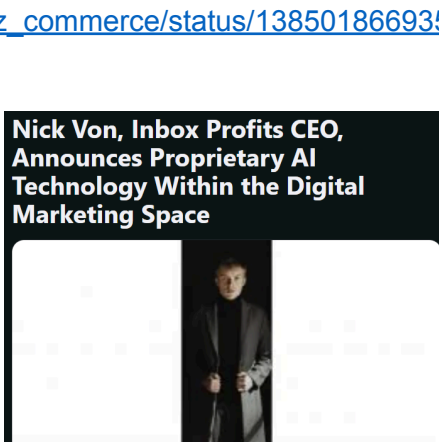
- Nick has been Lucas [business partner for over 5 years](#), and together they've started multiple business, they claim to have exited a business valued at \$18M.
- Luca invested in Nick's email agency [inboxprofits.io](#), that was allegedly shutdown because Nick scammed one of the clients.
- Nick's girlfriend claims that he took her money to buy Pudgy Penguins based on "insider information"
- He promoted them on his social media.
- He is on the Netz Trades team. Besides the voice message we've shown he also has a role a discord role "Netz Team"



Here is Luca promoting Inboxprofits https://twitter.com/netz_commerce/status/1385018669353234432

This is from one of their [fake press articles](#).

Initially, [Nick Von Geijer](#) & Luca Schnetzler enter this field as a joke. They were simply trying to see what they could do online, as they were only 15 years old at the time. Quickly, this turned out to be one of their most profitable endeavors ever. Recently, they sold an e-commerce business for more than 18 million dollars. Now only 20 years old, they stated that they leveraged a variety of [social media](#) tools including Snapchat, Google, and Facebook to generate more than six million dollars in revenue and only 12 months. As a result, when their company was bought out, it was valued north of 18 million dollars.



On his website, among other lies, in [July of 2021](#) he claimed to have generated \$50m in sales, just 1 year later in [April of 2022](#) he increased the number to \$500m in sales.

Nick has scammed dozens of people for millions of dollars, here are just some of the examples and testimonies of the victims:

First here is an FBI report that has been filed against Nick.

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