

ORIGINAL

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

----- X

UNITED STATES OF AMERICA

- v. -

RUJA IGNATOVA,
a/k/a "Cryptoqueen,"

Defendant.

----- X

SEALED INDICTMENT

S4 17 Cr. 630

CERTIFIED AS A TRUE COPY ON

THIS DATE

BY

() Clerk
() Deputy

COUNT ONE

(Conspiracy to Commit Wire Fraud)

The Grand Jury charges:

1. From in or about 2014 through in or about January 2018, in the Southern District of New York and elsewhere, RUJA IGNATOVA, a/k/a "Cryptoqueen," the defendant, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to violate Title 18, United States Code, Section 1343.

2. It was a part and an object of the conspiracy that RUJA IGNATOVA, a/k/a "Cryptoqueen," the defendant, and others known and unknown, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, would and did transmit and cause to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce,

writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, to wit, IGNATOVA, and others working on her behalf, made and caused to be made false statements and misrepresentations soliciting individuals throughout the world, including in the Southern District of New York, to invest in "OneCoin," a purported cryptocurrency, and instructed individuals to transmit investment funds to OneCoin depository accounts in order to purchase OneCoin packages, thereby causing individuals to send interstate and international wires representing their OneCoin investments, and resulting in the receipt of over \$1 billion of investor funds into OneCoin-related bank accounts.

(Title 18, United States Code, Section 1349.)

COUNT TWO
(Wire Fraud)

The Grand Jury further charges:

3. From in or about 2014 through in or about January 2018, in the Southern District of New York and elsewhere, RUJA IGNATOVA, a/k/a "Cryptoqueen," the defendant, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations and promises, for the purpose of executing such scheme and artifice, transmitted and caused to be transmitted by means of wire communication in interstate and foreign commerce writings,

signs, signals, pictures, and sounds, to wit, IGNATOVA, and others working on her behalf, made and caused to be made false statements and misrepresentations soliciting individuals throughout the world, including in the Southern District of New York, to invest in "OneCoin," a purported cryptocurrency, and instructed individuals to transmit investment funds to OneCoin depository accounts in order to purchase OneCoin packages, and thereby caused individuals to send interstate and international wires representing their OneCoin investments, and resulting in the receipt of over \$1 billion of investor funds into OneCoin-related bank accounts.

(Title 18, United States Code, Sections 1343 and 2.)

COUNT THREE
(Conspiracy to Commit Money Laundering)

The Grand Jury further charges:

4. From in or about 2014 through in or about January 2018, in the Southern District of New York and elsewhere, RUJA IGNATOVA, a/k/a "Cryptoqueen," the defendant, and others known and unknown, knowingly did combine, conspire, confederate, and agree together and with each other to commit money laundering, in violation of Title 18, United States Code, Sections 1956(a)(1)(B)(i), 1956(a)(2)(B)(i), and 1956(a)(2)(A).

5. It was a part and an object of the conspiracy that RUJA IGNATOVA, a/k/a "Cryptoqueen," the defendant, and others known and unknown, knowing that the property involved in certain

financial transactions represented the proceeds of some form of unlawful activity, would and did conduct and attempt to conduct such financial transactions which in fact involved the proceeds of specified unlawful activity, to wit, the proceeds of the wire-fraud scheme alleged in Counts One and Two of this Indictment, knowing that the transactions were designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of specified unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i).

6. It was further a part and an object of the conspiracy that RUJA IGNATOVA, a/k/a "Cryptoqueen," the defendant, and others known and unknown, would and did transport, transmit, and transfer, and attempt to transport, transmit, and transfer a monetary instrument and funds from a place in the United States to and through a place outside the United States, and to a place in the United States from and through a place outside the United States, knowing that the monetary instrument and funds involved in the transportation, transmission, and transfer represented the proceeds of some form of unlawful activity and knowing that such transportation, transmission, and transfer was designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of specified unlawful activity, to wit, the proceeds of the wire-fraud scheme

alleged in Counts One and Two of this Indictment, in violation of Title 18, United States Code, Section 1956(a)(2)(B)(i).

7. It was further a part and an object of the conspiracy that RUJA IGNATOVA, a/k/a "Cryptoqueen," the defendant, and others known and unknown, would and did transport, transmit, and transfer, and attempt to transport, transmit, and transfer, a monetary instrument and funds from a place in the United States to and through a place outside the United States, and to a place in the United States from and through a place outside the United States, with the intent to promote the carrying on of specified unlawful activity, to wit, the wire-fraud scheme alleged in Counts One and Two of this Indictment, in violation of Title 18, United States Code, Section 1956(a)(2)(A).

(Title 18, United States Code, Section 1956(h).)

COUNT FOUR
(Conspiracy to Commit Securities Fraud)

The Grand Jury further charges:

8. From in or about 2014 through in or about January 2018, in the Southern District of New York and elsewhere, RUJA IGNATOVA, a/k/a "Cryptoqueen," the defendant, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to commit offenses against the United States, to wit, securities fraud, in violation of Title 15, United States Code, Sections 78j(b) &

78ff, and Title 17, Code of Federal Regulations, Section 240.10b-5.

9. It was a part and object of the conspiracy that RUJA IGNATOVA, a/k/a "Cryptoqueen," the defendant, and others known and unknown, willfully and knowingly, directly and indirectly, by the use of the means and instrumentalities of interstate commerce, and of the mails, and of facilities of national securities exchanges, would and did use and employ, in connection with the purchase and sale of securities, manipulative and deceptive devices and contrivances in violation of Title 17, Code of Federal Regulations, Section 240.10b-5 by: (a) employing devices, schemes and artifices to defraud; (b) making untrue statements of material fact and omitting to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and (c) engaging in acts, practices and courses of business which operated and would operate as a fraud and deceit upon persons, all in violation of Title 15, United States Code, Sections 78j(b) and 78ff, and Title 17, Code of Federal Regulations, Section 240.10b-5, to wit, IGNATOVA, and others working on her behalf, made and caused to be made false statements and misrepresentations soliciting individuals throughout the world, including in the Southern District of New York, to invest in "OneCoin," a purported cryptocurrency, and

thereby caused individuals in the United States and elsewhere to purchase OneCoin packages, and resulting in the receipt of over \$1 billion of investor funds into OneCoin-related bank accounts.

Overt Acts

10. In furtherance of the conspiracy and to effect the illegal objects thereof, RUJA IGNATOVA, a/k/a "Cryptoqueen," the defendant, and her co-conspirators committed the following overt acts, among others, in the Southern District of New York and elsewhere:

a. On or about July 1, 2015, a co-conspirator not named herein ("CC-1") sent an e-mail to IGNATOVA, stating in part, "I thought this could go out tonight, problem is I don't have the access to send out to the members," and attaching a document which announced a July 4, 2015 online webinar hosted by IGNATOVA and others to mark the official opening of the United States market for OneCoin.

b. On or about July 4, 2015, IGNATOVA participated in an online webinar, later posted to YouTube.com, in which IGNATOVA announced the official opening of the United States market for OneCoin.

c. On or about August 18, 2015, in order to purchase a OneCoin package, at the direction of a second co-conspirator not named herein ("CC-2"), a victim residing in the United States wired approximately \$5,548 through a correspondent bank

located in New York, New York, to benefit a bank account held in the name of "OneCoin Ltd.," opened at the direction of IGNATOVA at Mashreq Bank in Dubai, United Arab Emirates.

(Title 18, United States Code, Section 371.)

COUNT FIVE
(Securities Fraud)

11. From in or about 2014 through in or about January 2018, in the Southern District of New York and elsewhere, RUJA IGNATOVA, a/k/a "Cryptoqueen," the defendant, willfully and knowingly, directly and indirectly, by the use of means and instrumentalities of interstate commerce, the mails and the facilities of national securities exchanges, in connection with the purchase and sale of securities, did use and employ manipulative and deceptive devices and contrivances, in violation of Title 17, Code of Federal Regulations, Section 240.10b-5, by (a) employing devices, schemes and artifices to defraud; (b) making untrue statements of material facts and omitting to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and (c) engaging in acts, practices and courses of business which operated and would operate as a fraud and deceit upon persons, to wit, IGNATOVA, and others working on her behalf, made and caused to be made false statements and misrepresentations soliciting individuals throughout the world, including in the Southern District of New

York, to invest in "OneCoin," a purported cryptocurrency, and thereby caused individuals in the United States and elsewhere to purchase OneCoin packages, and resulting in the receipt of over \$1 billion of investor funds into OneCoin-related bank accounts.

(Title 15, United States Code, Sections 78j(b) & 78ff; Title 17, Code of Federal Regulations, Section 240.10b-5; and Title 18, United States Code, Section 2.)

FORFEITURE ALLEGATIONS

12. As a result of committing the offenses alleged in Counts One, Two, Four, and Five of this Indictment, RUJA IGNATOVA, a/k/a "Cryptoqueen," the defendant, shall forfeit to the United States pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c), any and all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of said offenses, including but not limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of said offenses that the defendant personally obtained.

13. As a result of committing the offense alleged in Count Three of this Indictment, RUJA IGNATOVA, a/k/a "Cryptoqueen," the defendant, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(1), any and all property, real and personal, involved in said offense, or any property traceable to such property, including but not limited

to a sum of money in United States currency representing the amount of property involved in said offense.

Substitute Asset Provision

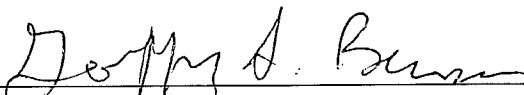
14. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), and Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of the defendant up to the value of the above forfeitable property.

(Title 18, United States Code, Sections 981 and 982;
Title 21, United States Code, Sections 853; and
Title 28, United States Code, Section 2461.)


/FOREPERSON


GEOFFREY S. BERMAN
United States Attorney
Southern District of New York

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

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RUJA IGNATOVA,
a/k/a "Cryptoqueen,"

Defendant.

SEALED INDICTMENT


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(18 U.S.C. §§ 371, 1343, 1349, 1956(h),
and 2; 15 U.S.C. §§ 78j(b) and 78ff;
and 17 C.F.R. § 240.10b-5)

GEOFFREY S. BERMAN

United States Attorney.

A TRUE BILL


Foreperson.

2/6/18

Filed Indictment under seal

USMJ Aaron

MG