From: **Dan Neidle** [redacted]@taxpolicy.org.uk
Subject: Request for comment - OneCoin
Date: 4 December 2023 at 08:03
To: [redacted]@carter-ruck.com

Dear Sirs, Madams,

I am the founder of Tax Policy Associates, a think tank established to improve UK tax and legal policy. We are currently investigating your representation of OneCoin, and would be grateful for your comments on our preliminary findings.

We understand the background facts are as follows:

1. Carter-Ruck acted for OneCoin and its founder, Ruja Ignatova, from April 2017 to July 2017 (and possibly over a longer period).

2. In April 2017, Carter-Ruck wrote to Jen McAdam on behalf of OneCoin, threatening her with defamation proceedings if she did not take down a webinar in which she accused OneCoin of being a Ponzi scheme.

3. In July 2017 Carter-Ruck wrote to the FCA on behalf of OneCoin, requesting that it take down a notice warning consumers that OneCoin was being investigated by the police, wasn't regulated, and that consumers should be wary of it

4. In October 2017, Ruja Ignatova was charged by New York prosecutors with fraud and moneylaundering. She vanished shortly afterwards. Over the next few years, almost all the OneCoin leadership team were arrested or went into hiding.

5. It is now clear from emails revealed by the New York prosecutions that OneCoin was a Ponzi fraud and an entirely criminal enterprise from the start (unlike many previous Ponzi schemes which started out as bona fide but unsuccessful investment operations). Millions of investors lost around $4bn

6. In retrospect, and whilst we would not suggest you knew this at the time, Carter-Ruck was likely instructed for the purpose of furthering OneCoin's fraud, by enabling it to carry on defrauding investors for longer than it otherwise would. It is plausible that Carter-Ruck's actions, and the successful takedown of the FCA notice, achieved this objective.

7. Given that OneCoin had no bona fide business, the fees that Carter-Ruck received for acting for OneCoin and Ms Ignatova were likely the proceeds of crime.

Please let me know if you believe any of this to be incorrect.

We intend to write that, on the basis of material publicly available in April 2017, any reasonable law firm undertaking reasonable KYC/on-boarding procedures would have reached the conclusion that OneCoin was a Ponzi fraud. Carter-Ruck should, therefore, have foreseen that, in acting for OneCoin, it would be assisting a fraud and receiving the proceeds of crime.

For the same reason, Carter-Ruck should have realised that the assertion in its letter to Ms McAdam that OneCoin was not a Ponzi scheme was meritless and improper - a "SLAPP". Carter-Ruck's letter to the FCA was improper. Both had the effect of undermining the administration of justice and the rule of law.

We will therefore be referring your firm to the SRA.

I would be grateful for any comment by 5pm tomorrow. Given Carter-Ruck was used by its clients to further their fraud, the firm's dealings with OneCoin and Ms Ignatova are not protected by the law of confidence or by legal privilege. Nothing prevents you from explaining why Carter-Ruck considered it appropriate to act for them.

We will publish your response.

Yours sincerely,

Dan Neidle
Tax Policy Associates Ltd