



20 October 2017

By email:



Mr.  Producer
Publika TV
Republic of Moldova

Carter-Ruck

**PRIVATE AND CONFIDENTIAL
NOT FOR PUBLICATION OR BROADCAST**

Dear Sirs

OneCoin and OneLife

We act for OneCoin Limited ("OneCoin Ltd.") and Onelife Network Limited ("OneLife Network").

We have been consulted by our said clients with regard to a 40-minute report programme broadcast on Publika TV on 17 September 2017 (the "Broadcast"). You subsequently uploaded the report to your website (see http://www.publika.md/au-muscat-din-mana-escrocilor-onecoin-o-noua-piramida-financiara-care-fura-mii-de-dolari-din-buzunarele-moldovenilor_2980812.html) and posted it to Youtube.com and social media. A version of the Broadcast translated into Russian is also available at: <https://point.md/ru/novosti/obschestvo/v-moldove-nabiraet-oboroty-novaia-skhemamoshennichestva-s-elektronnoi-valiutoi>, and it is also available at other locations. You are the publisher of the Broadcast in all forms and responsible for its content.

The Broadcast contains a number of statements which are both factually inaccurate and highly defamatory, including (without limitation) that the cryptocurrency, financial training and multi-level marketing business operated by the group of companies that includes OneCoin Ltd. is, in fact a "scam", "of epic proportions" and/or "that 'some things' about OneCoin's business are not legal". Specifically, it is alleged that that it is a "pyramid scheme" and a "Ponzi scheme" (used interchangeably), and that "There are 10 signs of a Ponzi scheme in total; in the OneCoin project, without much effort, all of them can be identified".

Taken as a whole, these allegations published about our clients would be understood to mean that our clients are running a criminal scam on a global scale. These allegations are highly defamatory of our clients. We are instructed that they are false in their entirety.

OneCoin and the OneLife Network

Running through the Broadcast is a fundamental misrepresentation of the distinction between OneCoin Ltd. and OneLife Network. However, the distinction between the two entities is clearly apparent from their websites.

The main activity of Onecoin Ltd. is the development of Onecoin cryptocurrency and its usability. OneCoin Ltd. is not engaged in network marketing activities or selling. It is absolutely wrong to refer to "investment" in OneCoin, or to suggest that OneCoin Ltd. representatives are selling investments.

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OneLife Network is a network marketing company (sometimes referred to as “multi-level marketing”, or MLM) that has been granted the exclusive rights of distribution of the OneAcademy educational packages, and manages the network marketing of the educational courses. There is no element of “*camouflage*”: everything is plainly stated. We are instructed that the OneLife Network business model uses a form of legitimate and lawful network marketing, and is completely different from a Ponzi scheme. The OneLife Network business model is based on a direct sales concept, in which members can, if they wish, earn income by referring and selling products, educational packages about cryptocurrency and financial management called OneAcademy. Members of the OneLife Network have the chance to mine OneCoins using promotional tokens. If coins are mined, they are held in an “e-wallet”. Currently, coins can only be used (in a manner akin to a voucher) on a merchant platform called “Deal-Shaker”, but the ambition is to become a regulated cryptocurrency. The assertion in the programme that the Deal Shaker platform is also a scam is also false.

Members of the OneLife Network can, if they wish, earn income by referring and selling educational packages about cryptocurrency and financial management to non-members. Commissions and bonus are paid to these members in direct relation to their success, consistent with a legitimate direct sales model. Free educational packages are also available.

There is no obligation on OneLife Network members to recruit other members, and there is no mandated buy-in requirement. The remuneration system is not based on the enrolment of new participants. The OneLife Network’s terms and conditions bind all members who wish to trade as OneLife Network representatives (Independent Marketing Associates; “IMAs”). IMAs are contractually obliged to follow ethical rules in these terms. Failure to follow these ethical rules can lead to an IMA’s relationship with the OneLife Network being terminated. OneLife Network takes all reasonable steps to seek to ensure that IMAs abide by these rules.

We are instructed that money earned by members of OneLife Network is not paid to satisfy overdue financial commitments to other members. In other words, new money from members does not satisfy old obligations of OneLife Network. It will be apparent from this that our clients absolutely deny running a Ponzi scheme, and it follows that they also deny that any of OneCoin Ltd., the OneCoin cryptocurrency and/or the OneLife Network, or any combination thereof, are a “scam”.

Allegations of foreign criminal investigations

The Broadcast also refers to “*criminal investigations*” in various countries and states that “*hundreds of millions of euros*” have been “*blocked*” in the accounts of “*local leaders*” abroad.

Given the scale and success of our clients’ business it has attracted interest and in some quarters criticism and concern. Our clients are aware that an extensive campaign of misinformation and vilification has been conducted against OneCoin Ltd. and OneLife Network and the OneCoin founder Ruja Ignatova including by those whose interests are potentially threatened by the success of its business. The same allegations that have been published on various blogs and on social media by campaigners have been made to various authorities around the world, and that has unsurprisingly triggered a number of enquiries. We remind you, first, that there is a distinction between “*criminal investigations*” and regulatory investigations, and furthermore that “*investigations*” are not the same as convictions or findings.

1. There have been no criminal convictions or findings against our clients anywhere in the world.
2. Our clients are aware of only one adverse regulatory decision, by the Italian Anti-Trust authority against OneLife Network (as well as two IMAs). No decision has been issued against OneCoin Ltd. Our client disputes the findings and the decision is presently the subject of an appeal. You should be aware

that it is, in particular, denied in that appeal that OneLife Network operations have the characteristics of a "pyramid scheme".

The allegations made in your broadcast are, therefore, both false and highly defamatory. You must have known that your claims, if broadcast, were bound to cause serious damage to our clients' business.

Sources for your allegations/failure of adequate investigation

It is apparent that the author's primary source material for this Broadcast consisted of a number of highly partisan internet sites and YouTube videos run by individuals with a very specific pro-Bitcoin and anti-OneCoin agenda, such as www.behindmlm.com.

Contrary to what was claimed on the programme, our clients have no record of any attempt by you to contact them to fact check the article with any representative of either company. Our clients, alerted to the programme by a trailer on Publika TV's Facebook page, sent an email to you at 18.55 on 14 September 2017 inviting you to put inquiries through official channels via the OneCoin press office (and not via individual OneLife Network members, who are not allowed to speak on behalf of our clients). They did not receive a response.

For the reasons given above, your programme was a grave and irresponsible piece of journalism which should not have been broadcast. Given the failure to conduct a reasonable investigation, and in particular your reliance upon ambush interviewing in preference to properly seeking our clients' comments before publishing, our clients treat your publication as wholly malicious.

Resolution

This letter is intended to place you on notice of the both inaccurate and defamatory content appearing in your Broadcast.

Our clients require you immediately and permanently to delete and remove the Broadcast from your website and any and all other websites and/or blog sites where the Broadcast has been published and/or archived, and not to republish the same or similar allegations in the future.

We look forward to hearing from you, we trust, within 14 days.

All of our client's rights are reserved.

Yours faithfully



Carter-Ruck