

**Before the Republic of Bulgaria
Office of the Constitutional Ombudsman**

Petition of Dr. Jonathan Levy in the matter of OneCoin

Introduction

The Bulgarian based criminal enterprise OneCoin is the world's largest pyramid investment scheme. OneCoin will encompass eventual losses of more than €20 billion.¹ OneCoin's masterminds are Bulgarian citizens and their associates:

Ruja Ignatova
Veska Ignatova
Konstantin Plamenov Ignatov
Irina Andreeva Dilkinska
Kristina Gouneva
Hristo Latchev
Hristoforos Nicos Amanatidis "Taki"
Teodor Pastarmadzhiev
Angel Rumenov Boyadzhivski "Foxi"
Vladislav Alekseev Velkov
Veselina Marinova Valkova.
Dimitar Marinchev

The Ignatovs, OneCoin and their proxies in Bulgaria and Dubai currently control moveable and immoveable property, investments, cryptocurrency, bank accounts and cash exceeding €12.5 billion.

OneCoin maintains public offices in Sofia including:

One Network Services Ltd.
12 Tsar Osvoboditel
Sofia 1000

Площад Петко Р. Славейков 6А
Район Средец, София 1000
Район Средец София България

Veska Ignatova
Грижа за пл. Славейков 6А,
Партер, София 1000

OneCoin uses several corporate identities and names in Bulgaria including: OneLife, OnePayments, Dealshaker, OneEcosystem, OneAcademy, OneWorld, OneForex, B&N Consult EOOD, Elmaz Proparti, Vida Home, RISG Ltd., RavenR, LBJ AD, Business Edge Solutions, Pegaron Invest Limited and Openmark EOOD. The law firms Rashev & Partners (Sofia) and Hogan Lovells (London) handle commercial transactions for OneCoin including property transfers. The London based law firm Carter-Ruck, Hamburg based law firm Schulenberg and

¹ Morris, David. *Is OneCoin the Biggest Financial Fraud in History?* Fortune Magazine, November 6, 2019. <https://fortune.com/2019/11/06/is-onecoin-the-biggest-financial-fraud-in-history/>

Schenk and public relation firm Chelgate were retained to handle reputational matters and suppress whistleblowers and victim complaints. Banks accounts were opened in Bulgaria at Piraeus Bank and Investbank. Additional bank accounts currently exist in the United Arab Emirates under the control of Ruja Ignatova and her proxies (Karl Sebastian Greenwood, Isa Bin Haider, Mimoun Madani, Sheikh Saoud bin Faisal Al Qassimi) located at United Arab Bank, Emirates NBD, Commercial Bank of Dubai, Mashreq Bank, Emirates Investment Malaysian Bank and Noor Bank. Significant OneCoin real estate also exists in the United Arab Emirates under the control of Ignatova and her proxies.

OneCoin and its various entities have been found to be a criminal enterprise by the United States, Argentina, Germany, and other countries. OneCoin's nominal CEO, Bulgarian citizen Konstantin Ignatov, has admitted that OneCoin is a criminal pyramid scheme. Konstantin Ignatov was arrested at Los Angeles International Airport in March 2019 and taken to a federal prison in New York. After being charged by federal law enforcement officials with financial crimes involving OneCoin, Konstantin Ignatov pleaded guilty in September 2019 to those charges (wire fraud, conspiracy to commit wire fraud, conspiracy to commit money laundering, and conspiracy to commit bank fraud). Konstantin Ignatov has been a cooperating witness with law enforcement officials and has implicated the involvement of all the parties named herein. He has testified under oath about OneCoin's involvement with violent organized crime, international money laundering and about the vast wealth generated.

The Bulgarian Financial Authority issued a general advisory about OneCoin cryptocurrency in 2015 disclaiming any regulatory responsibility for it and thereafter ignored it. On January 17 and 18 2018 at the request of EUROPOL and German police multiple raids were conducted in Sofia on OneCoin offices by the order of Prosecutor General Ivan Geshev. We are unaware of any arrests or confiscation of bank accounts, cash, cryptocurrency, or property belonging to the victims. If Bulgarian law enforcement has confiscated assets it has not provided a public accounting or process for victims to be compensated.

While the full extent of OneCoin's Bulgarian operation remains unknown, the US FBI and other law enforcement agencies have classified it as a classic pyramid scheme wherein the promoters get rich at the expense of the vast majority of investors who have no chance of ever seeing any returns. OneCoin is the largest pyramid scheme in the history of mankind exceeding both the Madoff and Mavrodi pyramids in both scope and losses and is notable for its longevity from 2014 to present. This complaint largely concerns itself with the Bulgarian operation and is directed at the misfeasance by Bulgarian law enforcement in regard to their EU mandated duty to victims of crime.

Of note is the fact that even after the raid by Prosecutor General Ivan Geshev and the arrest of K. Ignatov in the United States, OneCoin operations in Bulgaria continue unabated. OneCoin continues to generate millions of Euros and was able to openly conduct a successful recruitment conference in Plovdiv in July 2021.²

Connection of OneCoin to Violent Crimes, Terrorism, and Organized Crime

OneCoin has been linked by the government of Kuwait to terrorism funding.³ In 2018, the Bulgarian State Prosecutor's Office stated that there were suspicions that organized crime groups

² Video of Plovdiv Event - <https://fb.watch/9jrBq7hTIP/>

³ Kuwait Ministry of Interior, 2015 <http://www.jlevy.co/wp-content/uploads/2021/05/Exhibit-K-1.pdf>

and terrorist organizations are funded through the OneCoin scheme.⁴ Konstantin Ignatov in his various testimonies indicated that he believed his life was in danger from organized crime. Ignatov testified that he had been abducted on at least two occasions and threatened twice at gunpoint by criminal gangs involved with OneCoin including the Hell's Angels in Zurich and Bulgarian organized crime in Sofia. As part of his plea agreement with the United States, Ignatov seeks to enter the witness protection program along with his girlfriend and child.

One of the Petitioner's clients, Mr. Arthur, a former employee of RavenR, reports he was physically assaulted and his life was threatened on numerous occasions after he cooperated with law enforcement. He also received a letter from OneCoin's German law firm seeking to silence him. OneCoin's Dubai lawyers have also issued legal threats including to Petitioner. Credible sources indicate that Ruja Ignatova was involved with known mafia kingpins in Bulgaria and Dubai including alleged money launderers, drug traffickers and VAT swindlers. In June 2020, two OneCoin promoters were kidnapped, suffocated, and stuffed into suitcases in Mexico.⁵ In another well documented case a woman in the United Kingdom received several threats of death and sexual violence after she spoke out publicly to the BBC about the OneCoin pyramid.⁶ The European Commission has indicated EU Council Directive 2004/80/EC of 29 April 2004 regarding victims of violent crime can apply to cryptocurrency:

In addition, the Commission would like to inform the Committee on Petitions that EU rules exist on compensation for victims of violent, intentional crime. The 2004 Directive on compensation facilitates access to compensation for victims of violent, intentional crimes that took place in other Member States but also in their Member State of residence. **Depending on the circumstances of a particular case, it cannot be excluded that certain types of crime involving crypto-assets (for instance extortion) may constitute violent, intentional crime that may fall under the EU rules on compensation.** It is up to the competent national authorities to decide in individual cases.⁷

Petitioner:

Petitioner, Dr. Jonathan Levy, is a European based lawyer who has filed claims involving OneCoin with the European Union and elsewhere. He has been assigned to represent the claims of the following individuals against OneCoin:

Christine Grablis (USA)
Ryan Myers (USA)
Duncan Malcolm Arthur (UK)
Bradley Durkin (Australia)

⁴ Bulgaria State Prosecutor, *Специализираната прокуратура участва в неутрализиране на международна група за пране на пари чрез виртуалната валута уанкойн*. January 19, 2018 [http://web.archive.org/web/20180119164134/https://www.prb.bg/bg/news/aktualno/specializiranata-prokuratura-uchastva-v-neutralizirane-2/](http://web.archive.org/web/20180119164134/https://www.prb.bg/bg/news/aktualno/specializiranata-prokuratura-uchastva-v-neutralizirane-na-prokuratura-uchastva-v-neutralizirane-2/)

⁵ Sinclair, Sebastian. *Promoters of Crypto Ponzi Scheme OneCoin Murdered in Mexico*. Coindesk, Jul 15, 2020 updated Sep 14, 2021. <https://www.coindesk.com/markets/2020/07/15/promoters-of-crypto-ponzi-scheme-onecoin-murdered-in-mexico/>

⁶ Picken, Andrew. *Death threats for cryptocurrency 'scam' whistleblower*. Scotland BBC October 15, 2019. <https://www.bbc.com/news/uk-scotland-glasgow-west-50041579>

⁷ EU Commission. *Notice to Members re: Petition No 0421/2020 by Jonathan Levy (US) on the need to set up a crypto assets fund for crypto crime victims*, October 12, 2020. https://www.europarl.europa.eu/doceo/document/PETI-CM-658965_EN.pdf

Alexander Schilling (Germany)
Estere Crisona (USA)
Christopher Dewey (UK)
Martin Rutte (Canada)
Sabine Bredemeyer (Germany)
Steve Scriha (Australia)
Jacqueline Scriha (Australia)
Errol Turner (Australia)
Crypto Currency Resolution Trust (Bahamas)

The claims are substantial; the nominal value of OneCoin is between €38.75 to €42.50. These claims exceed €150 million and include additional creditor claims, claims for unjust enrichment, and seek disgorgement and sequestration of OneCoin property. The Petitioner's claimants will present their particulars to a claims commission, administrator, or similar Bulgarian government entity.

Petitioner's Request

According to Article 47 of the EU Charter of Fundamental Rights, victims of crime should be recognized as the persons wronged by the offender, protected against repeat victimization, granted access to justice, and enabled to participate in criminal proceedings. Bulgarian law contains similar provisions. The victims of OneCoin have received no justice from Bulgaria which seemingly protects and enables OneCoin to retain its assets and continue to operate despite being the most notorious criminal organization of the 21st Century.

The Petition requests that the Ombudsman investigate and make findings regarding the Bulgarian government's misfeasance including local law enforcement, the State Prosecutor, Ministries of Justice and Interior, National Council for Support and Compensation of Victims of Crime The Financial Intelligence Directorate. And to take remedial steps in regard to OneCoin victims and Directive 2012/29/EU (Victims of Crime) and EU Council Directive 2004/80/EC of 29 April 2004 relating to compensation to of crime victims.

The Petitioner further requests the Ombudsman urgently contact the responsible Bulgarian government agencies responsible to communicate the following concerns and objectives:

1. Termination of OneCoin's open and public operation in Bulgaria that continues to victimize investors worldwide.
2. Assistance in obtaining an accounting of Bulgarian controlled OneCoin assets consisting of 230,000 Bitcoins, jewelry, yachts, cars including a Rolls Royce, a Bentley, a Porsche, and an armored Lexus, banks accounts, jewelry, luxury goods, precious metals, cash, livestock including thoroughbred horses, investments, and real estate in order to determine if they are still in the possession of the Ignatova and their proxies or have been seized by the Bulgarian government.
3. The establishment of a government liaison to fulfill the obligations of the Bulgarian government to OneCoin investors under Directive 2012/29/EU of the European Parliament and EU Council Directive 2004/80/EC of 29 April 2004 relating to compensation to of crime victims.
4. Establishment of a monetary reward of up to €1 billion Euros to be paid from up to 10% of OneCoin assets recovered to encourage associates of OneCoin to step forward with information,

especially in regard to the 230,000 Bitcoins in the possession of Ruja Ignatova or her proxies currently valued at over €12 billion.

5. Reimbursement of Petitioner's legal expenses.

EU Directives

Directive 2012/29/EU of the European Parliament and the Council of 25 October 2012 establishes minimum standards in member states on the rights, support, and protection of victims of crime.⁸

Article I establishes that regardless of residency, victims of crime must be treated in a respectful, professional, and nondiscriminatory manner. The victims of OneCoin have been ignored by Bulgarian law enforcement, no attempt has been made to secure their property within Bulgaria or obtain a settlement on their behalf from the Ignatovs and their proxies.

Article II establishes that OneCoin victims have suffered economic loss and are entitled to restorative justice. Restorative justice requires the Bulgarian government which has hosted the OneCoin crime spree from 2014 to present to take action. Continued to take action indicates misfeasance bordering on malfeasance if it is discovered that government officials have been shielding the OneCoin operations in Bulgaria.

Article III imposes the duty upon Bulgaria to communicate with international OneCoin victims who do not speak Bulgarian – no communication is evident.

Articles V-VX include the victims right to make a complaint, receive information, and governmental assistance.

Further Articles XIII – XV provide for the rights to legal aid, reimbursement of expenses and return of property.

EU Council Directive 2004/80/EC of 29 April 2004 relates to compensation of crime victims and requires Bulgaria pay compensation to victims of violent crimes committed in its territory.⁹ Member States shall ensure that potential applicants for compensation have access to essential information on the possibilities to apply for compensation.

Article II is quite clear as to Bulgaria's duty to crime victims: "Compensation shall be paid by the competent authority of the Member State on whose territory the crime was committed."

Article IV requires Bulgaria to make information available to victims: "Member States shall ensure that potential applicants for compensation have access to essential information on the possibilities to apply for compensation, by any means Member States deem appropriate."

Articles V-IX require Bulgaria to assist in filing of claims and establish a user friendly process.

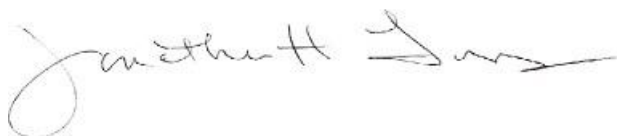
⁸ <https://eur-lex.europa.eu/eli/dir/2012/29>

⁹ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32004L0080>

Conclusion

Petitioner has no logical explanation as to why or how OneCoin and its principal parties are still headquartered, operating, and sheltered on the territory of Bulgaria despite being exposed as a violent criminal organization involved with funding of terrorism and organized crime. The amount of victim assets unrecovered is astounding and can only be explained by deliberate misfeasance by the Bulgarian authorities responsible for victim's rights. This intolerable situation runs counter to EU directives on victims of crime as well as natural justice and must be remedied as soon as possible by the responsible parties of the Bulgarian government.

Submitted this 16th of November 2021

A handwritten signature in black ink, appearing to read "Jonathan Levy". The signature is written in a cursive style with a long, sweeping underline.

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