Onecoin leader arrested in the USA for “wire fraud”

Crypto news

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U.S. prosecutors in New York have arrested a “top leader” of the **OneCoin** project, saying it stole “billions” from investors through an alleged pyramid scheme.

The U.S. Attorney for the Southern District of New York (SDNY) has indicted Ruja Ignatova and Konstantin Ignatov on charges of wire fraud, securities fraud and money laundering, claiming the two defrauded investors out of “billions of dollars” using a fraudulent cryptocurrency. Konstantin Ignatov was arrested on wire fraud charges at Los Angeles International Airport earlier this week as part of the investigation.

According to a press release, prosecutors are alleging that OneCoin is a pyramid scheme, where members receive commissions to recruit other individuals to the project. These recruits are required to purchase crypto packages, and OneCoin currently claims to have 3 million members worldwide.

Noting that these charges are allegations at the moment, **SDNY U.S. Attorney Geoffrey Berman said** *“these defendants created a multibillion-dollar ‘cryptocurrency’ company based completely on lies and deceit,”* adding: *“They promised big returns and minimal risk, but, as alleged, this business was a pyramid scheme based on smoke and mirrors more than zeroes and ones. Investors were victimized while the defendants got rich.”*

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