



BSA [REDACTED]

BSAR Transcript  
BSA: [REDACTED] and DCN:

**Filing Information**

<b>Type of Report</b>	Continuing Activity Report
<b>Filing Date</b>	02/09/2017
<b>Received Date</b>	02/09/2017
<b>Entry Date</b>	02/10/2017
<b>Submission Method</b>	Electronic batch filing

**Subject Information**

<b>Subject 1 of 3 : FENERO EQUITY INVESTMENTS LP</b>	
<b>Role</b>	Subject
<b>Subject Type</b>	Both Purchaser and Payee
<b>Individual/Organization</b>	Organization
<b>Last (or Entity) Name</b>	FENERO EQUITY INVESTMENTS LP
	FENERO EQUITY INVESTMENTS - Enhanced
<b>TIN Unknown</b>	Yes
<b>Form(s) of Identification</b>	<b>Identification Unknown</b> Yes
<b>Address(es)</b>	<b>Street Address</b> [REDACTED]
	<b>City</b> [REDACTED]
	<b>ZIP Code Unknown</b> [REDACTED]
	<b>Country</b> VI VG - Enhanced
<b>Occupation/Type of Business</b>	INVESTMENT FUND
<b>Corroborative Statement to Filer</b>	No
<b>Relationship to Reporting Institution(s)</b>	<b>Institution TIN</b> [REDACTED]
	<b>Relationship of Subject</b> No Relationship: Yes



BSAR Transcript  
BSA: [REDACTED] and DCN:

BSA: [REDACTED]

**Subject Information**

Affected Account(s)		
	<b>Account 1 of 7</b>	
	Account Number	[REDACTED]
	Financial Institution TIN	[REDACTED]
	<b>Account 2 of 7</b>	
	Account Number	[REDACTED]
	Financial Institution TIN	[REDACTED]
	<b>Account 3 of 7</b>	
	Account Number	[REDACTED]
	Financial Institution TIN	[REDACTED]
	<b>Account 4 of 7</b>	
	Account Number	[REDACTED]
	Financial Institution TIN	[REDACTED]
	<b>Account 5 of 7</b>	
	Account Number	[REDACTED]
	Financial Institution TIN	[REDACTED]
	<b>Account 6 of 7</b>	
	Account Number	[REDACTED]
	Financial Institution TIN	[REDACTED]
	<b>Account 7 of 7</b>	
	Account Number	[REDACTED]
	Financial Institution TIN	[REDACTED]

**Subject 2 of 3 : FENERO FINANCIAL SWITZERLAND LP**

<b>Role</b>	Subject	
<b>Subject Type</b>	Purchaser/Sender	
<b>Individual/Organization</b>	Organization	
<b>Last (or Entity) Name</b>	FENERO FINANCIAL SWITZERLAND LP	
	FENERO FNCL SWITZERLAND - Enhanced	
<b>TIN Unknown</b>	Yes	
<b>Form(s) of Identification</b>	<b>Identification Unknown</b>	Yes
<b>Address(es)</b>	<b>Street Address</b>	[REDACTED]
	<b>City</b>	[REDACTED]
	<b>ZIP Code Unknown</b>	[REDACTED]
	<b>Country</b>	VI
		VG - Enhanced



BSA: [REDACTED]

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**Subject Information**

<b>Occupation/Type of Business</b>	INVESTMENT FUND	
<b>Corroborative Statement to Filer</b>	No	
<b>Relationship to Reporting Institution(s)</b>	<b>Institution TIN</b>	[REDACTED]
	<b>Relationship of Subject</b>	[REDACTED]
<b>Affected Account(s)</b>	<b>Account 1 of 3</b>	[REDACTED]
	<b>Account Number</b>	[REDACTED]
	<b>Financial Institution TIN</b>	[REDACTED]
	<b>Account 2 of 3</b>	[REDACTED]
	<b>Account Number</b>	[REDACTED]
	<b>Financial Institution TIN</b>	[REDACTED]
	<b>Account 3 of 3</b>	[REDACTED]
	<b>Account Number</b>	[REDACTED]
	<b>Financial Institution TIN</b>	[REDACTED]

**Subject 3 of 3 : IMS INTERNATIONAL MARKETING SERVICES GMBH**

<b>Role</b>	Subject		
<b>Subject Type</b>	Purchaser/Sender		
<b>Individual/Organization</b>	Organization		
<b>Last (or Entity) Name</b>	IMS INTERNATIONAL MARKETING SERVICES GMBH		
	IMS INTERNATIONAL MARKETING SERVICES - Enhanced		
<b>TIN Unknown</b>	Yes		
<b>Form(s) of Identification</b>	<b>Identification Unknown</b>	[REDACTED]	
	<b>Address(es)</b>	<b>Street Address</b>	[REDACTED]
		<b>City</b>	[REDACTED]
		<b>ZIP Code</b>	[REDACTED]
	<b>Country</b>	GM	[REDACTED]
		US - Enhanced	
<b>Corroborative Statement to Filer</b>	No		
<b>Relationship to Reporting Institution(s)</b>	<b>Institution TIN</b>	[REDACTED]	
	<b>Relationship of Subject</b>	[REDACTED]	
<b>Affected Account(s)</b>	<b>Account Number</b>	[REDACTED]	
	<b>Financial Institution TIN</b>	[REDACTED]	

**Suspicious Activity Information**

<b>Amount Involved</b>	\$137,609,490
<b>Cumulative Amount</b>	\$359,609,958

The enclosed information was collected and disseminated under provisions of the Bank Secrecy Act (the BSA) and U.S. Department of the Treasury regulations implementing the BSA. See 31 U.S.C. 5311, et seq.; 31 CFR Chapter X. The information is sensitive in nature and is to be treated accordingly. The information may be used only for a purpose consistent with a criminal, tax, or regulatory investigation or proceeding, or in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism. See 31 U.S.C. 5311. The information cannot be further released, disseminated, disclosed, or transmitted without prior approval of the Director of Financial Crimes Enforcement Network or his authorized delegate. Suspicious activity reports filed under the BSA must be treated with particular care given that they contain unsubstantiated allegations of possible criminal activity, akin to confidential informant tips. Unauthorized release of information collected under the BSA may result in criminal or civil sanctions.





BSA: [REDACTED]

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**Suspicious Activity Information**

<b>Date or Date Range of Activity</b>	07/07/2016 - 12/28/2016
<b>Money laundering</b>	Suspicious EFT/wire transfers Suspicious use of multiple accounts Suspicious concerning the source of funds
<b>Fraud</b>	Pyramid scheme
<b>Other suspicious activities</b>	Transaction with no apparent economic, business, or lawful purpose
<b>Financial instrument or payment mechanism</b>	Funds transfer

**Activity Location**

Financial Institution Location 1 of 1		
<b>No Branch Activity Involved</b>	Yes	
<b>Type of Financial Institution</b>	Depository institution	
<b>Primary Regulator</b>	Federal Reserve	
<b>RSSD Number</b>	[REDACTED]	
<b>Legal Name</b>	THE BANK OF NEW YORK MELLON	
<b>EIN</b>	[REDACTED]	
<b>RSSD Number</b>	[REDACTED]	
<b>Address(es)</b>	<b>Street Address</b>	225 LIBERTY STREET 225 LIBERTY ST - Enhanced
	<b>City</b>	NEW YORK NEW YORK - Enhanced
	<b>State</b>	NY NY - Enhanced
	<b>ZIP Code</b>	10286 10281-1048 - Enhanced
	<b>Country</b>	US US - Enhanced
	<b>Internal Control File Number</b>	[REDACTED]

**Filer Information**

<b>Primary Regulator</b>	Federal Reserve
<b>Filer Name</b>	THE BANK OF NEW YORK MELLON THE BANK OF NEW YORK MELLON - Enhanced
<b>EIN</b>	[REDACTED]



BSA: [REDACTED]

BSAR Transcript  
BSA: [REDACTED] and DCN:

Filer Information			
<b>Address(es)</b>	<b>Street Address</b>	225 LIBERTY STREET	
		225 LIBERTY ST - Enhanced	
	<b>City</b>	NEW YORK	
		NEW YORK - Enhanced	
	<b>State</b>	NY	
		NY - Enhanced	
	<b>ZIP Code</b>	10286	
		10281-1048 - Enhanced	
	<b>Country</b>	US	
		US - Enhanced	
<b>Type of Financial Institution</b>	Depository institution		
<b>RSSD Number</b>	[REDACTED]		
<b>Internal control/file number</b>	[REDACTED]		
<b>Contact for Assistance</b>	<b>Full Name</b>	LEGAL DEPT	
	<b>Phone Number</b>	<b>Type</b>	Work
		<b>Number</b>	[REDACTED]

Law Enforcement Information
No Law Enforcement Information Available

**Narrative**

THE BANK OF NEW YORK MELLON INTERNAL REFERENCE [REDACTED] THE BANK OF NEW YORK MELLON (BNYM) IS FILING THIS SAR TO REPORT 16 SUSPICIOUS WIRES, TOTALING \$137,609,489.20 (REFLECTING THE DEBIT AMOUNT CONVERTED TO USD), INVOLVING IMS INTERNATIONAL MARKETING SERVICES GMBH, A SHELL ENTITY REPORTEDLY RELATED TO ONECOIN, WHICH IS MARKED AS A VIRTUAL CRYPTOCOIN, BUT HAS ALSO BEEN ACCUSED OF OPERATING A PONZI SCHEME. THE WIRES ALSO INVOLVE FENERO EQUITY INVESTMENTS LP AND FENERO FINANCIAL SWITZERLAND LP, BVI INVESTMENT FUNDS THAT RECEIVED WIRES FROM SHELL ENTITIES ASSOCIATED WITH ONECOIN. THIS SAR SUPPLEMENTS A PRIOR SAR, FILED 12/22/2016, WHICH REPORTED SUSPICIOUS WIRE ACTIVITY INVOLVING INTERNATIONAL MARKETING SERVICES PTE LTD., ANOTHER SHELL ENTITY ASSOCIATED WITH ONECOIN. THE PREVIOUSLY REPORTED ACTIVITY TOOK PLACE FROM 05/23/2016 TO 11/07/2016 AND TOTALED \$222,000,468.00 (BNYM INTERNAL REFERENCE #622896). THE WIRES REPORTED IN THIS SAR WERE CONDUCTED THROUGH BNYM CORRESPONDENT ACCOUNTS. BNYM MAINTAINS CORRESPONDENT BANKING RELATIONSHIPS WITH FOREIGN FINANCIAL INSTITUTIONS THUS ENABLING THOSE INSTITUTIONS TO CONDUCT TRANSACTIONS IN U.S. DOLLARS ON BEHALF OF THEMSELVES AND THEIR





BSA: [REDACTED]

BSA: [REDACTED] and DCN: [REDACTED]

**Narrative**

CUSTOMERS. BNYM MAINTAINS A DIRECT RELATIONSHIP SOLELY WITH THE FOREIGN FINANCIAL INSTITUTION AND DOES NOT HAVE ANY RELATIONSHIP WITH THAT INSTITUTION'S CUSTOMERS. THE WIRES REPORTED IN THIS SAR ARE SUSPICIOUS BECAUSE: (1) INTERNET RESEARCH INDICATES THAT ONECOIN, A CRYPTOCURRENCY THAT OPERATES A PONZI SCHEME, HAS OPENED BANK ACCOUNTS USING SHELL COMPANIES, INCLUDING IMS INTERNATIONAL MARKETING SERVICES GMBH AND INTERNATIONAL MARKETING SERVICES PTE LTD; (2) THESE SHELL COMPANIES SENT WIRES TO FENERO EQUITY INVESTMENTS LP AND FENERO FINANCIAL SWITZERLAND LP, WHICH ARE REPORTEDLY INVESTMENT FUNDS REGISTERED IN THE HIGH-RISK JURISDICTION OF BVI; (3) THE INVESTMENT FUNDS THEN SENT WIRES, PRIMARILY TO OTHER RELATED ENTITIES, FURTHER LAYERING THE FUNDS; (4) ONE WIRE SENT BY FENERO EQUITY INVESTMENTS LP BENEFITTED A HONG KONG SHELL ENTITY AND REFERENCED CRYPTOREAL, WHICH IS ALSO ASSOCIATED WITH ONECOIN; AND (5) THE WIRES WERE SENT IN LARGE AMOUNTS AND SOME WERE REPETITIVE, WITH MULTIPLE WIRES SENT ON THE SAME DAY. BACKGROUND: INTERNET RESEARCH INDICATES THAT ONECOIN, FOUNDED BY RUJA IGNATOVA, OPERATES AS A PONZI/PYRAMID/CRYPTOCURRENCY SCAM, AND IT HAS BEEN SUBJECT TO INVESTIGATIONS AND INVESTOR WARNINGS IN NUMEROUS JURISDICTIONS, INCLUDING THE UK, BELGIUM, SWEDEN, AUSTRIA, LATVIA, AND SINGAPORE ([HTTP://INSIDEBITCOINS.COM](http://insidebitcoins.com); [HTTPS://STMK.ARBEITERKAMMER.AT](https://stmk.arbeiterkammer.at); [HTTP://WWW.FKTK.LV](http://www.fktk.lv); [HTTP://WWW.MAS.GOV.SG](http://www.mas.gov.sg); [HTTP://WWW.NEWSBTC.COM](http://www.newsbtc.com); [HTTPS://WWW.FCA.ORG.UK](https://www.fca.org.uk); [HTTP://WWW.FSMA.BE](http://www.fsma.be); [HTTPS://NEWS.BITCOIN.COM/BEWARE-DEFINITIVE-ONECOIN-PONZI/](https://news.bitcoin.com/beware-definitive-onecoin-ponzi/); [HTTPS://EN.WIKIPEDIA.ORG/WIKI/ONECOIN](https://en.wikipedia.org/wiki/onecoin)). INTERNET RESEARCH INDICATES THAT ONECOIN ROUTINELY OPENED BANK ACCOUNTS USING SHELL COMPANY NAMES, INCLUDING INTERNATIONAL MARKETING SERVICES PTE LTD AND IMS INTERNATIONAL MARKETING SERVICES GMBH ([HTTP://BEHINDMLM.COM](http://behindmlm.com); [HTTPS://STEEMIT.COM](https://steemit.com); [HTTP://KUSETUKSET.BLOGSPOT.COM/2016/10/ONECOINS-FROZEN-BANK-ACCOUNTS-LISTED.HTML](http://kusetukset.blogspot.com/2016/10/onecoins-frozen-bank-accounts-listed.html); [HTTP://ONECOIN-NEXT.BLOGSPOT.COM](http://onecoin-next.blogspot.com); [HTTP://WWW.NEWCRYPTOERA.COM/EN](http://www.newcryptoera.com/en)). AS REPORTED IN THE PRIOR SAR, AFTER TWO WIRES SENT FOR THE BENEFIT OF INTERNATIONAL MARKETING SERVICES PTE LTD WERE RETURNED BY BENEFICIARY BANK UNITED OVERSEAS BANK LIMITED (SINGAPORE) CITING ITS "INTERNAL POLICY", BNYM CONDUCTED A SCAN FOR WIRE ACTIVITY INVOLVING THE ENTITY. THE SCAN IDENTIFIED WIRES SENT BY INTERNATIONAL MARKETING SERVICES PTE LTD FOR THE BENEFIT OF FENERO FINANCIAL SWITZERLAND LP AND FENERO EQUITY INVESTMENTS LP, BOTH BANKING AT [REDACTED] (GEORGETOWN, CAYMAN ISLANDS). AS A RESULT OF THE PRIOR ACTIVITY, BNYM CONDUCTED A SCAN FOR WIRE ACTIVITY INVOLVING FENERO EQUITY INVESTMENTS LP, FENERO FINANCIAL SWITZERLAND LP, AND INTERNATIONAL MARKETING SERVICES FOR THE PERIOD FROM 7/6/2016 TO 1/6/2017 AND IDENTIFIED 16 SUSPICIOUS WIRES, TOTALING \$137,609,489.20 (REFLECTING THE DEBIT AMOUNT CONVERTED TO USD), THAT





BSA: [REDACTED]

BSA: [REDACTED] and DCN: [REDACTED]

**Narrative**

WERE SENT FROM 7/7/2016 TO 12/28/2016. ACCORDING TO KYC INFORMATION RECEIVED FROM [REDACTED] [REDACTED] FENERO EQUITY INVESTMENTS L.P. AND FENERO FINANCIAL SWITZERLAND L.P. ("CLIENT") IS THE FIRST OF A SERIES OF \$100,000,000 OPEN-ENDED INVESTMENT FUNDS LOCATED IN THE BRITISH VIRGIN ISLANDS, FOCUSING ON INVESTMENTS IN THE FINANCIAL SERVICES INDUSTRY IN EUROPE. THE PRIMARY OBJECTIVE OF THE CLIENT IS TO INVEST INTO CONTROLLING POSITIONS OF DISTRESSED COMPANIES IN THE FINANCIAL SERVICES INDUSTRY. THE CLIENT IS CURRENTLY ADMINISTERED AND MANAGED BY MSS INTERNATIONAL CONSULTANTS LLC, WHICH IS ULTIMATELY OWNED BY AMERICAN ATTORNEY MARK S. SCOTT. MARK SCOTT HAS CONFIRMED TO [REDACTED] THAT THE CLIENT IS IN THE NEGOTIATION STAGES OF SECURING A NEW ADMINISTRATOR, NAMELY TRINITY FUND ADMINISTRATION LTD. THE CLIENT HAS BEEN A CUSTOMER OF [REDACTED] [REDACTED] SINCE 06/16/2016, AND MAINTAINS A REGISTERED OFFICE ADDRESS AT [REDACTED] [REDACTED] BRITISH VIRGIN ISLANDS. FENERO EQUITY INVESTMENTS L.P. AND FENERO FINANCIAL SWITZERLAND L.P. ARE ON THE BVI FINANCIAL SERVICES COMMISSION LIST OF APPROVED FUNDS ([HTTP://WWW.BVIFSC.VG/EN-GB/REGULATEDENTITIES/INVESTMENTBUSINESS/APPROVEDFUNDS.ASPX](http://www.bvifsc.vg/en-gb/regulatedentities/investmentbusiness/approvedfunds.aspx)). KYC INFORMATION INDICATES THAT FENERO EQUITY INVESTMENTS LP WAS FORMED IN BVI ON 03/01/2016. MSS INTERNATIONAL CONSULTANTS (BVI) LTD IS LISTED AS THE GENERAL PARTNER AND B&N CONSULT EOOD IS LISTED AS THE LIMITED PARTNER. LEXISNEXIS RESEARCH INDICATES THAT B & N CONSULT EOOD IS A PROVIDER OF MANAGEMENT CONSULTING SERVICES, AND [REDACTED] IS LISTED AS MANAGER. ACCORDING TO ITS WEBSITE, B&N CONSULT IS INVOLVED IN REAL ESTATE INVESTMENT, CONSULTANT, AND BROKERAGE SERVICES. ITS MAIN OFFICE IS IN SOFIA, BULGARIA ([HTTP://WWW.BNCONSULT.BIZ/EN/ABOUT.PHP](http://www.bnconsult.biz/en/about.php)). AS REPORTED IN THE PRIOR SAR, THE WIRES SENT FROM INTERNATIONAL MARKETING SERVICES PTE LTD FOR THE ULTIMATE BENEFIT OF FENERO FINANCIAL SWITZERLAND L.P. REFERENCED "SUBSCRIPTION INTO CAPITAL PAYMENT ON BEHALF OF B AND N CONSULT LTD". ALTHOUGH BNYM COULD NOT ESTABLISH A LINK BETWEEN B&N CONSULT AND ONECOIN FOUNDER RUJA IGNATOVA, INTERNET RESEARCH INDICATES THAT RUJA IGNATOVA HAS SPENT OVER \$20 MILLION ON BULGARIAN PROPERTY ([HTTP://BEHINDMLM.COM/COMPANIES/ONECOIN/IGNATOVA-HAS-SPENT-35-MILLION-ON-BULGARIAN-PROPERTY](http://behindmlm.com/companies/onecoin/ignatova-has-spent-35-million-on-bulgarian-property); [HTTP://WWW.CAPITAL.BG/BIZNES/KOMPANII/2016/05/13/2759325\\_DOKTOR\\_RUJA\\_I\\_PAZARUVANETO\\_NA\\_IMOTI\\_OT\\_NISHTO/](http://www.capital.bg/biznes/kompanii/2016/05/13/2759325_doktor_ruja_i_pazaruvaneto_na_imoti_ot_nishto/)). KYC INFORMATION INDICATES THAT FENERO FINANCIAL SWITZERLAND LP WAS INCORPORATED ON 05/06/2016, MSS INTERNATIONAL CONSULTANTS (BVI) LTD IS THE GENERAL PARTNER AND ELIAN NOMINEES (BVI) LIMITED IS THE INITIAL LIMITED PARTNER. KYC INFORMATION INDICATES THAT MSS INTERNATIONAL CONSULTANTS (BVI) LTD WAS REGISTERED IN BVI ON 02/29/2016, AND ITS DIRECTORS ARE AMERICANS DAVID RUSSELL PIKE [REDACTED] US PASSPORT [REDACTED] ) AND MARK STANLEY SCOTT [REDACTED] ; US





BSA: [REDACTED]

BSA: [REDACTED] and DCN: [REDACTED]

**Narrative**

PASSPORT [REDACTED] MSS INTERNATIONAL CONSULTANTS LLC [REDACTED] [REDACTED] IS THE SOLE MEMBER AND SHAREHOLDER OF MSS INTERNATIONAL CONSULTANTS (BVI) LTD. INTERNET RESEARCH INDICATES THAT MARK S. SCOTT, P.L. IS THE REGISTERED AGENT FOR FLORIDA ENTITY MSS INTERNATIONAL CONSULTANTS LLC (HTTP://SEARCH.SUNBIZ.ORG). MSS INTERNATIONAL CONSULTANTS (BVI) LTD IS ON THE BVI FINANCIAL SERVICES COMMISSION LIST OF APPROVED MANAGERS (HTTP://WWW.BVIFSC.VG/EN-AU/REGULATEDENTITIES/INVESTMENTBUSINESS/APPROVEDMANAGERS.ASPX). ACCORDING TO HIS LINKEDIN PAGE, MARK S SCOTT IS FOUNDER AND CEO OF MSS INTERNATIONAL CONSULTANTS (BVI) LTD., WHICH "MANAGES SEVERAL HUNDRED MILLION EUROS IN A SERIES OF REGISTERED PRIVATE EQUITY FUNDS AND FOCUSES ITS INVESTMENTS ON OPPORTUNITIES IN FINTECH, FINANCIAL SERVICES, TELECOM AND HOTEL RELATED REAL ESTATE DEVELOPMENT IN EUROPE" (HTTPS://VG.LINKEDIN.COM/IN/MARK-S-SCOTT-57387518). ACCORDING TO INTERNET RESEARCH, MARK S. SCOTT WAS ADMITTED TO THE FLORIDA BAR ON 7/27/1988 AND IS IN GOOD STANDING (BAR NUMBER 142549) (HTTPS://WWW.FLORIDABAR.ORG). HOWEVER, LEXISNEXIS AND INTERNET RESEARCH INDICATE THAT SCOTT HAS BEEN ASSOCIATED WITH NUMEROUS COMPANIES, INCLUDING TWO REGISTERED IN OCTOBER 2014 THAT ARE CURRENTLY INACTIVE, WHICH APPEAR TO HAVE BEEN INVOLVED IN BINARY OPTIONS AND/OR FOREIGN EXCHANGE TRADING: BINARYHOLDINGS, LLC AND SPOTFN.COM, LLC. WIRE DETAILS: ADDITIONAL DETAILS FOR ALL WIRES REPORTED IN THIS SAR CAN BE LOCATED IN THE ATTACHED .CSV FILE. (THE .CSV FILE CONTAINS INFORMATION FOR 17 TRANSACTIONS. ONE TRANSACTION COULD NOT BE COMPLETED AS ORIGINALLY INSTRUCTED BUT WAS COMPLETED VIA AN ADJUSTMENT, AND DETAILS FOR BOTH TRANSACTIONS ARE INCLUDED IN THE ATTACHMENT). I. WIRES SENT BY IMS INTERNATIONAL MARKETING SERVICES GMBH: FROM 7/7/2016 TO 8/1/2016, IMS INTERNATIONAL MARKETING SERVICES GMBH [REDACTED] GREVEN), ACCOUNT WITH DEUTSCHE BANK AG (FRANKFURT, GERMANY), SENT 5 WIRES TOTALING \$27,222,500.00 FOR THE ULTIMATE BENEFIT OF FENERO EQUITY INVESTMENTS L.P. [REDACTED] [REDACTED] BRITISH VIRGIN ISLANDS) AT [REDACTED] CAYMAN ISLANDS; BNYM CORRESPONDENT ACCOUNT [REDACTED]). ALL WIRES SENT IN THE AMOUNT OF 5,000,000.00 EUR, AND THE DETAILS OF PAYMENT FOR ALL WIRES READ "PARTIAL PAYMENT FOR SUBSCRIPTION". AS REPORTED IN THE PRIOR SAR, WIRES SENT FROM INTERNATIONAL MARKETING SERVICES PTE LTD FOR THE ULTIMATE BENEFIT OF FENERO EQUITY INVESTMENTS LP WERE SENT IN THE SAME AMOUNT AND LISTED THE SAME DETAILS OF PAYMENT AS THE WIRES SENT BY IMS INTERNATIONAL MARKETING SERVICES GMBH. II. WIRE REFERENCING CRYPTOREAL: ON 07/13/0016, FENERO EQUITY INVESTMENTS LP [REDACTED] [REDACTED], ACCOUNT AT [REDACTED] CAYMAN ISLANDS; BNYM CORRESPONDENT ACCOUNT [REDACTED], SENT ONE WIRE IN THE AMOUNT OF \$30,000,000.00





BSA: [REDACTED] and DCN: [REDACTED]

**Narrative**

FOR THE ULTIMATE BENEFIT OF BARTA HOLDINGS LTD [REDACTED] (HONG KONG) LIMITED (HONG KONG; BNYM CORRESPONDENT ACCOUNT [REDACTED]). THE DETAILS OF PAYMENT READ: LOAN FOR CRYPTOREAL. INTERNET RESEARCH INDICATES THAT 100% OF THE SHARES OF BARTA HOLDINGS LTD ARE HELD BY HUI CHI MING, WHO IS ALSO A DIRECTOR OF SINO UNION ENERGY INVESTMENT GROUP LTD. (HTTP://SC.HKEXNEWS.HK). ACCORDING TO ITS WEBSITE, CRYPTOREAL INVESTMENT TRUST IS RUN BY ONECOIN. ITS WEBSITE ALSO INDICATES THAT CRYPTOREAL ENTERED INTO AN AGREEMENT WITH HOIFU ENERGY TO BUY A PETROLEUM FIELD IN MADAGASCAR. HUI CHI MING, THROUGH VARIOUS COMPANIES, IS THE CONTROLLING SHAREHOLDER OF HOIFU ENERGY (HTTP://WWW.CRYPTOREAL.COM; HTTP://WWW.HOIFUENERGY.COM/EINTRO.HTML). III. WIRES SENT BY INVESTMENT FUNDS TO RELATED PARTIES: ON 8/19/2016, FENERO EQUITY INVESTMENTS LP [REDACTED] [REDACTED], ACCOUNT WITH [REDACTED] CAYMAN ISLANDS; BNYM CORRESPONDENT ACCOUNT [REDACTED]), SENT ONE WIRE IN THE AMOUNT OF \$1,045,344.00, THROUGH BNYM FRANKFURT (ACCOUNT [REDACTED] FOR THE ULTIMATE BENEFIT OF FENERO EQUITY INVESTMENTS (IRELAND) ([REDACTED] AT [REDACTED] INTERNET RESEARCH INDICATES THAT FENERO EQUITY INVESTMENTS (IRELAND) LIMITED WAS REGISTERED ON 04/05/2016, AND ITS DIRECTOR IS MARK SCOTT (HTTP://WWW.SOLOCHECK.IE/IRISH-COMPANY/FENERO-EQUITY-INVESTMENTS-IRELAND-LIMITED-580123#REPORT-2). ON 09/06/2016, FENERO EQUITY INVESTMENTS LP [REDACTED] ACCOUNT WITH [REDACTED] [REDACTED] CAYMAN ISLANDS; BNYM CORRESPONDENT ACCOUNT [REDACTED]), SENT ONE WIRE IN THE AMOUNT OF \$278,850.00 FOR THE ULTIMATE BENEFIT OF MARK S SCOTT, P.L. [REDACTED] BRITISH VIRGIN ISLANDS, VG1110) AT [REDACTED] (MIAMI, FLORIDA). THE DETAILS OF PAYMENT READ: FEES AND EXPENSES FOR LOAN FACILITYII AND FURTHER DISTRIBUTIONS. FROM 09/22/2016 TO 10/17/2016, FENERO EQUITY INVESTMENTS LP ([REDACTED]), ACCOUNT WITH [REDACTED] CAYMAN ISLANDS; BNYM CORRESPONDENT ACCOUNTS [REDACTED] AND [REDACTED]), SENT 4 WIRES TOTALING \$64,017,260.00 FOR THE ULTIMATE BENEFIT OF FEI IRELAND AT [REDACTED] IRELAND). THE DETAILS OF PAYMENT REFERENCED "FUNDING OF FENERO SECURITIES TRADING LIMITED (IRELAND)", "FUNDING OF FORMATION AND INFRASTRUCTURE OF SIF FUND LUX", AND "FUNDING OF MSSI MANAGED INVESTMENTS". ONE WIRE WAS SENT THROUGH [REDACTED] (LONDON, ENGLAND; BNYM CORRESPONDENT ACCOUNT [REDACTED]). ON 09/29/2016, FENERO FINANCIAL SWITZERLAND LP ([REDACTED] TORTOLA), ACCOUNT WITH [REDACTED] LTD (GEORGETOWN, CAYMAN ISLANDS; BNYM CORRESPONDENT ACCOUNT [REDACTED] AND [REDACTED]), SENT TWO WIRES TOTALING \$14,959,800.00 FOR THE ULTIMATE BENEFIT OF FENERO EQUITY INVESTMENTS



BSA: [REDACTED]

BSAR Transcript  
BSA: [REDACTED] and DCN:

**Narrative**

(IRELAND) (DUBLIN, IRELAND) AT [REDACTED]. THE DETAILS OF PAYMENT READ "FOR FUNDING OF ACCOUNTS OF FENERO SECURITIES TRADING LTD. AT [REDACTED]" AND "FOR ONGOING EXPENSES OF FENERO GROUP IN UK (EXCLUDING LUX SIF FUND)". ONE WIRE WAS SENT THROUGH [REDACTED] (LONDON, ENGLAND; BNYM CORRESPONDENT ACCOUNT [REDACTED]). FROM 11/4/2016 TO 12/28/2016, FENERO EQUITY INVESTMENTS LP [REDACTED] (TORTOLA), ACCOUNT WITH [REDACTED] LTD [REDACTED] (CAYMAN ISLANDS; BNYM CORRESPONDENT ACCOUNT [REDACTED]), SENT 2 WIRES TOTALING \$85,735.20 FOR THE ULTIMATE BENEFIT OF CAYMAN-10462701-USD ([REDACTED] [REDACTED] BRITISH VIRGIN ISLANDS, [REDACTED] AT [REDACTED] BANK (GEORGETOWN, CAYMAN ISLANDS). THE DETAILS OF PAYMENT READ "MSSI OPERATING FC (CIBC)". THE FIRST WIRE COULD NOT BE APPLIED AS INITIALLY INSTRUCTED, BUT IT WAS COMPLETED SUCCESSFULLY ON 11/07/2016. ACCORDING TO HIS LINKEDIN PAGE, MARK SCOTT IS THE CEO OF MSSI ([HTTPS://VG.LINKEDIN.COM/IN/MARK-S-SCOTT-57387518](https://vg.linkedin.com/in/mark-s-scott-57387518)).



Date of Report:

Subject:

Your Case No.:

FinCEN Case No.:

### FinCEN FEEDBACK FORM

*Thank you for using FinCEN as an information resource to support your investigation. We want to know how we can serve you better... Please take a minute to tell us.*

1. In what way did the information assist your investigation? (Please circle all that apply.)

Provided new information	Yes	No		
Helpful in moving toward an indictment	Yes	No	Pending	N/A
Expanded investigation	Yes	No	Pending	
Identified new leads/subjects	Yes	No		
Verified existing information	Yes	No		

2. If financial (Bank Secrecy Act) information was provided, was it useful for your investigation?

Yes	No	Pending	N/A
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3. Was the information received in time to be useful to your investigation?

Yes	No
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If not, was there a due date indicated for the information?

Yes	No
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4. Did FinCEN network you to another agency that had previously made a FinCEN request?

Yes	No
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If you and that other agency shared information, was it useful?

Yes	No
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5. Overall, were you satisfied with the service provided by FinCEN?

Yes	No
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Comments?

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Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Please print name: \_\_\_\_\_

Please fax hard copy surveys to the Customer Feedback Liaison at [redacted] or mail to: Financial Crimes Enforcement Network



The financial database information contained in this report cannot be disseminated outside Australian Transaction Reports and Analysis Centre (AUSTRAC) and the Australian Taxation Office (ATO) and is not to be used as evidentiary material, presented in court, or used in any other formal proceedings without the prior written consent of the Financial Crimes Enforcement Network.

## INVESTIGATIVE MEMORANDUM

Requester: Australian Transaction Reports and Analysis Centre (AUSTRAC)

Request Received: April 4, 2016

Attn.: [REDACTED]  
[REDACTED] Australia

FinCEN Case Number: [REDACTED]

Requester Case Number: [REDACTED]

Subject: [REDACTED]

### SYNOPSIS

FinCEN searched its financial systems for information on [REDACTED], and approximately 1,200 additional subjects, the subjects of Panama Papers Investigation, pursuant to a request submitted AUSTRAC on April 4, 2016. Of the 1,200 approximate individuals and entities requested, research returned positive results for 57 subjects.

Research in the financial databases returned 114 Suspicious Activity Reports, 1,529 Currency Transaction Reports (CTRs) for \$26,672,579, 12 Reports of International Transportation of Currency or Monetary Instrument (CMIRs) totaling \$216,779, 61 Reports of Foreign Bank and Financial Accounts (FBARs) and two Designations of Exempt Person (DOEPs).

Please see the Narrative section of this report for further details.

Distribution: AUSTRAC, Chatswood, Australia

Date:

*A list of the databases researched by FinCEN can be found at the end of this report.*

### NARRATIVE

**Analyst Note:** Please note that the dates contained in this report are in (month) MM/ (day) DD/ (year) YYYY format. For example, August 1, 2011 may be written as 08/01/2011 or 08/1/11.

**Analyst Note:** Research was limited to exact name matches only due to the limited identifiers provided. Some names returned positive results but only those with a location matching or similar to the address provided were included.

**Analyst Note:** The word “structuring” as used in this report refers to deliberately breaking up a large transaction into amounts small enough to not trigger a Currency Transaction Report (for cash transactions over \$10,000) or additional recordkeeping and identification requirements (for wires or money services business transactions of \$3,000 or more). The intent of structuring is to evade the reporting or recordkeeping requirements.



**Provided Information:**  
**Linked Company:** [REDACTED]  
**Address:** [REDACTED] **Australia**

*Financial Database Results*

*Suspicious Activity Report (SAR)*

**SAR Number** [REDACTED] is identified as a subject of the following Suspicious Activity Report involving money laundering and corruption.

Activity Date(s)	Subject(s)	SAR Amount	Filer and Activity Location
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Activity Date(s)	Subject(s)	SAR Amount	Filer and Activity Location
December 03, 2015 – February 24, 2016	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>One Network Services Ltd</p> <p>One EUX Llc;(Fort Lauderdale, Florida)</p> <p>One Coin</p> <p>[REDACTED]</p>	\$50,644	<p>[REDACTED]</p> <p>Australia</p>

**THE SAR FILING INSTITUTION PROVIDED THE FOLLOWING INFORMATION:** This SAR is being filed to report the misuse of account that was opened for an entity by the name of [REDACTED] ("Client") owned by [REDACTED]. The purpose of the account was for the purchase of organic skin products, however, between 12/03/2015 and 02/24/2016, the client conducted 13 payments in the aggregate amount of \$50,644.40 USD (Equivalent to 70,050.50 AUD).

The purpose of these transactions was for an investment in a virtual currency company, by the name of OneCoin, which we suspect could be a scam due to derogatory external research. The funds for these payments were sent to an individual residing in Thailand by the name of [REDACTED] ("Beneficiary 1"), an entity under the name of ONE EUX, LLC based in the US ("Beneficiary 2"), and an entity under the name of ONE NETWORK SERVICES LTD based in Bulgaria ("Beneficiary 3").

The reported potential suspicious activity was detected on 02/24/2016

[REDACTED]

This report is being filed to report suspicious activity processed for Client, a customer of [REDACTED], based in Australia, an affiliate under common ownership of [REDACTED], (the entity submitting this report).

The Client has held an account with [REDACTED] since 11/25/2012. The Client is a manufacturer and distributor of organic skin products. The account was opened and intended to be utilized for making payments to suppliers for the purchase of skin products.

On 02/24/2016, [REDACTED] account representative informed [REDACTED] that the client had confirmed that the 13 payments mentioned above were related to an investment in a virtual currency company by the name of OneCoin ("Investment Company"). In addition, the Client confirmed the source of the funds utilized to fund these payments came from third parties but the names were not provided.

Due diligence performed on the investment company indicates that the company is owned and founded by Dr. Ruja Ignatova and it could be exposed as "Global Ponzi Scheme". Apparently, the company is offering a high percentage on returns. They are claiming that, in 12 month, clients can have as 80x return on their investment. (Sources: (1) <http://cointelegraph.com/news/one->



coin-much-scam-onecoin-exposed-as-global-mlm-ponzi-scheme (2) <http://hotmlmcompanies.com/onecoin-review/>). Due to the derogatory information found, AFEX suspect about the legitimacy of the investment company. Below are the bank details which the 13 payments were sent to: Beneficiary #1: USD Account Account number: [REDACTED]

Bank Name: BANGKOK BANK PUBLIC COMPANY LIMITED Bank Country: Thailand Intermediary: JPMORGAN CHASE BANK, N.A. Intermediary Bank Country: United States AUD and EUR Account Account number: [REDACTED] Bank Name: KASIKORNBANK PUBLIC COMPANY LIMITED Swift Bank:KASITHBKXXX Bank Country: Thailand

Between 12/15/2015 and 02/24/2016, the Client sent 7 payments to Beneficiary 1 for the total amount of \$42,234.00. (Equivalent to 58,417.40 AUD)

Beneficiary #2 Account number: [REDACTED] Bank Name: TD BANK NA ABA: [REDACTED] Account:// [REDACTED] Bank Country:United States

Between 12/07/2015 and 12/08/2015, the Client sent 3 payments to Beneficiary 2 for the total amount of \$4,997.00. (Equivalent to 6,839.21 AUD)

Beneficiary #3 Account number: [REDACTED] Bank Name: CAPITAL BANK, JOINT STOCK COMPANY Swift Bank:CPTBGE22XXX Bank Country: Georgia

On 12/03/2015, the Client sent 3 payments to Beneficiary 3 for the total amount of \$3,413.00. (Equivalent to 4,663.35 AUD). Based on the above the Client account was closed and this SAR is being filed.

### **FEEDBACK FORM**

**Please complete the attached feedback form and return the form via mail or fax to FinCEN as soon as possible. Your input is important because it will help FinCEN to improve and better direct its analytical reports.**

Requests for FinCEN research are conducted on a real-time basis. All materials provided to you are current as of the date indicated on this report. Due to the volume of cases generated through FinCEN, we are unable to provide automated updates regarding any case. To obtain updated information the requester **MUST** provide us with a new Request for Research form.

### **DISSEMINATION AUTHORITY/WARNING**

The information in this document is to be used for lead or investigative purposes only. The information may not be released, disseminated, disclosed, or transmitted outside your organization, or in particular used as evidentiary material or presented in court or other formal proceedings, without the prior, written approval of the Financial Crimes Enforcement Network (FinCEN). This document contains information that is protected from unauthorized disclosure by the U.S. Bank Secrecy Act (BSA) and other laws, as well as the Egmont Group Charter. Unauthorized release of information contained in this document is unlawful and may result in penalties including the loss of access to information.

The enclosed information was collected and disseminated under provisions of the Bank Secrecy Act (the BSA) and U.S. Department of the Treasury regulations implementing the BSA. See 31 U.S.C. 5311, et seq.; 31 CFR Chapter X. The information is sensitive in nature and is to be treated accordingly. The information may be used only for a purpose consistent with a criminal, tax, or regulatory investigation or proceeding, or in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism. See 31 U.S.C. 5311. The information cannot be further released, disseminated, disclosed, or transmitted without prior approval of the Director of Financial Crimes Enforcement Network or his authorized delegate. Suspicious activity reports filed under the BSA must be treated with particular care given that they contain unsubstantiated allegations of possible criminal activity, akin to confidential informant tips. Unauthorized release of information collected under the BSA may result in criminal or civil sanctions.

Note – SAR Usage: This report contains information derived from a Suspicious Activity Report (SAR) of suspected criminal activity, filed by a U.S. financial institution. SARs are **not** evidence, but contain information that, when further investigated, **may** produce evidence of criminal activity. SARs **must not** be disclosed to the subject of an investigation or any other individual who may be identified in the SAR. SARs should not be used in court or other formal proceedings without the prior consent of the Financial Crimes Enforcement Network. Further disclosure of a SAR by the requesting agency must be coordinated with FinCEN.

**The Financial Crimes Enforcement Network (FinCEN) authorizes the AUSTRAC to further disseminate the information contained in this report to the Australian Taxation Office (ATO) for investigative purposes only. Please note that the information may not be used in court or any formal proceedings and may not be further disseminated without FinCEN authorization.**

## **BACKGROUND**

Research of the subjects was conducted in the databases listed below. Only positive or inconclusive database results are included in this report. *FinCEN limited its research to only those subject(s) presented in your request. Because information may exist on other entities identified pursuant to our research, you are invited to submit another request on those subjects.*

### **Financial (Bank Secrecy Act) Database:**

**NOTE:** Due to privacy laws in the United States, FinCEN is unable to obtain certain banking information, such as the names of account holders, account statements or balances, or any credit card information. Should you require such information, you may consider making such a request under the provisions of a Mutual Legal Assistance Treaty (MLAT) or via letters rogatory. Transaction information from FinCEN is limited to that reported under the Bank Secrecy Act requirements:

- **Financial Database:** Bank Secrecy Act information from at least the past 10 years. Includes:
- **Currency Transaction Reports (CTRs)**
- **Designation of Exempt Person forms**
- **Reports of International Transportation of Currency or Monetary Instruments (CMIRs)**
- **Currency Transaction Reports by Casinos (CTR-Cs)**
- **Form 8300's, Reports of Cash Payments Over \$10,000 Received in a Trade or Business**
- **Reports of Foreign Bank and Financial Accounts (FBARs)**
- **MSB Registration**
- **Suspicious Activity Reports (SARs)**