

Poloniex Fair Fund  
P.O. Box 6175  
Novato, CA 94948-6175

**Web Address:** [www.poloniexfairfund.com](http://www.poloniexfairfund.com)

**IN THE MATTER OF POLONIEX, LLC  
UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
File No. 3-20455**

**DISTRIBUTION PLAN NOTICE OF POLONIEX FAIR FUND**

**This Notice is Pursuant to a Distribution Plan approved by the United States Securities and Exchange Commission. This is not a solicitation from a lawyer.**

Dear Investor:

By Order dated January 31, 2023, the United States Securities and Exchange Commission (the "Commission") approved a distribution plan (the "Plan") by which to distribute the Fair Fund established in its administrative proceeding, In the Matter of Poloniex, LLC, Admin. Proc. No. 3-20455, (the "Poloniex Fair Fund"). The Plan is publicly available on the Poloniex Fair Fund website at [www.poloniexfairfund.com](http://www.poloniexfairfund.com). Under the Plan, the Poloniex Fair Fund will be distributed to compensate investors ("Investors") who paid fees to transact in certain crypto assets on the Poloniex trading platform during the period between August 1, 2017 through November 30, 2019, inclusive (the "Relevant Period") under the following symbols: NAUT, NOTE, SJCX, BELA, BCY, FLDC, FLO, PINK, RADS, BLK, NXC, RIC, XVC, BTCD, BTM, EMC2, GRC, POT, VRC, XBC, NEOS, AMP, EXP, GNO, BCN, GAME, NXT, DCR, GAS, LSK, OMNI, REP, and ARDR (the "Crypto Assets").<sup>1</sup>

You have been identified by the Fund Administrator as a Preliminary Claimant under the Plan, a Person who suffered a Recognized Loss of \$8.00 or more as a result of fees paid to transact in the Crypto Assets on the Poloniex trading platform during the Relevant Period, as calculated pursuant to the Plan of Allocation (Exhibit A to the Plan).

**You may be eligible to receive a distribution from the Poloniex Fair Fund under the Plan. To be considered for eligibility under the Plan, you must timely complete and submit the Preliminary Claimant Certification Form found on the Fair Fund website [www.poloniexfairfund.com](http://www.poloniexfairfund.com). To participate, you must certify your claim on or before July 28, 2023. If you are unable to complete the Preliminary Claimant Certification Form through the online portal available on that website, or if you would like to complete and submit a paper copy of the certification form, please immediately contact the Fund Administrator by phone at 1-844-737-0141 or by email to [info@poloniexfairfund.com](mailto:info@poloniexfairfund.com).**

**Background**

On August 9, 2021, the Commission issued an Order instituting and simultaneously settling Cease-And-Desist proceedings (the "Order") against Poloniex, LLC ("the Respondent"). In the Order, the Commission found that, from July 2017 through November 2019, Poloniex operated a digital asset trading platform that meets the definition of an "exchange" under the federal securities laws but did not register as a national securities exchange nor operate pursuant to an exemption from registration at any time, in violation of Section 5 of the Securities Exchange Act of 1934. The Commission ordered the Respondent to pay \$8,484,313.99 in disgorgement, \$403,995.12 in prejudgment interest, and a \$1,500,000 civil money penalty to the Commission. The Commission also created the Poloniex Fair Fund pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, so the penalty paid, along with the disgorgement and prejudgment interest paid, can be distributed to harmed investors. You can see a copy of the Order on the website for this matter: [www.poloniexfairfund.com](http://www.poloniexfairfund.com).

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<sup>1</sup> Capitalized terms used in this Plan Notice and not defined are used as defined in the Plan.

## **Fund Administrator**

On June 28, 2022, the Commission appointed Kurtzman Carson Consultants, LLC, (“KCC”) as the fund administrator for the Fair Fund (the “Fund Administrator”). The Fund Administrator is responsible for administering the Fair Fund in accordance with the Plan.

## **Poloniex Fair Fund**

The Poloniex Fair Fund constitutes a “Qualified Settlement Fund” (“QSF”) as defined in U.S. Treas. Reg. Sec. 1.468B-1 et seq. Its distribution is intended to compensate investors harmed by the Respondent’s operation of an unregistered national securities exchange.

## **Participation**

To be considered for eligibility to receive a Distribution Payment under the Plan, you must access the Fair Fund’s website **[www.poloniexfairfund.com](http://www.poloniexfairfund.com)** and complete the online Preliminary Claimant Certification Form. All submissions must be received by July 28, 2023. If you are unable to access the online Preliminary Claimant Certification Form or would prefer to submit a paper copy of the certification form, please immediately contact the Fund Administrator by phone at 1-844-737-0141 or by email to [info@poloniexfairfund.com](mailto:info@poloniexfairfund.com). A paper copy of the certification form will be provided upon request.

Participation in the Poloniex Fair Fund does not require you to release any rights or potential claims you may have against the Respondent. A Preliminary Claimant who fails to provide a response to this Notice that is deemed sufficient by the Fund Administrator, including any information sought in the Preliminary Claimant Certification Form, shall be deemed unresponsive (“Unresponsive Preliminary Claimant”). Unresponsive Preliminary Claimants will not be eligible for a distribution under the Plan.

The Recognized Loss amount is based on records obtained by the Commission from the Respondent and is the amount of fees that you paid in connection with transactions in the Crypto Assets on the Poloniex Exchange during the period between August 1, 2017, through November 30, 2019, inclusive. However, this is not necessarily the amount you will receive. If the Net Available Fair Fund is less than the sum of the Recognized Losses of all Eligible Claimants, each Eligible Claimant’s distribution amount will equal his, her or its “Pro Rata Percent” of the Net Available Fair Fund. For further information, please review the Plan of Allocation (Exhibit A to the Plan) at [www.poloniexfairfund.com](http://www.poloniexfairfund.com).

Excluded from the Poloniex Fair Fund are (a) The Respondent; (b) Present or former officers or directors of Respondent or any assigns, creditors, heirs, spouses, parents, dependent children or controlled entities of any of the foregoing Persons or entities; (c) Any employee or former employee of the Respondent or any of its affiliates who has been terminated for cause or has otherwise resigned, in connection with the conduct described in the Order; (d) Any firm, trust, corporation, or other entity in which Respondent has or had a controlling interest; (e) The Fund Administrator, its employees, and those Persons assisting the Fund Administrator in its role as the Fund Administrator; (f) Any purchaser or assignee of another Person’s claimed right to obtain a recovery from the Fair Fund for value; provided, however, that this provision shall not be construed to exclude those Persons who obtained such a right by gift, inheritance, or devise; and (g) Any person who is confirmed by the Fund Administrator to be subject to sanctions by the United States government, as determined by Executive Orders, the authority of the Department of the Treasury’s Office of Foreign Asset Control (OFAC) or any other applicable laws of the United States.

## **Questions**

If you have any questions about the Poloniex Fair Fund or the distribution, or if you would like to obtain copies of relevant documents, including this Plan Notice, or the Plan, please visit the Fair Fund website at [www.poloniexfairfund.com](http://www.poloniexfairfund.com). A copy of the Plan is also available on the SEC website for this matter at <https://www.sec.gov/litigation/admin/2023/34-96779-dp.pdf>. You may also submit questions to the Fund Administrator by phone at 1-844-737-0141 or by email to [info@poloniexfairfund.com](mailto:info@poloniexfairfund.com).

## **Reminder**

If you wish to be considered for eligibility for a Distribution Payment under the Plan, you must go to [www.poloniexfairfund.com](http://www.poloniexfairfund.com) to complete the online Preliminary Claimant Certification Form. **You must certify your claim on or before July 28, 2023, in order to participate.**

Please note that payment may be made electronically via PayPal. However, please note that PayPal does not operate in all countries. In the event PayPal is not an option, we will reach out to you to obtain additional information for an alternate payment method.

If you wish to receive a translated copy of this Notice, please reach out to the Fund Administrator using the contact information at the end of this Notice.

**IF YOU SUBMIT DOCUMENTS OR INFORMATION THAT CONTAIN PERSONAL INFORMATION BY EMAIL, PLEASE USE ENCRYPTION TO MAINTAIN YOUR PRIVACY. IF YOU HAVE ANY CONCERNS REGARDING YOUR ABILITY TO ENCRYPT WHAT YOU ARE SENDING, PLEASE SEND THE DOCUMENTS OR INFORMATION BY MAIL.**

The Fund Administrator's contact information is:

**Email:** info@poloniexfairfund.com

**Phone:** 1-844-737-0141

**Physical Address:**

Poloniex Fair Fund  
P.O. Box 6175  
Novato, CA 94948-6175  
United States of America

Very truly yours,

Kurtzman Carson Consultants, LLC  
Fund Administrator