

# Lawsuit Alleging Manipulation of Crypto Markets Through Unbacked Stablecoin “Tether” Survives Motion to Dismiss

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A class of cryptocommodities purchasers represented by Selendy & Gay PLLC, Roche Freedman LLP, and Schneider Wallace Cottrell Konecky LLP will be allowed to proceed with a lawsuit alleging a conspiracy to manipulate the crypto markets, following a decision on the defendants’ motion to dismiss issued on September 28, 2021, which is available at [this link](#).

The lawsuit alleges that the crypto-asset “tether” or “USDT” was falsely marketed as supported by a 1:1 reserve of U.S. dollars which did not exist. Plaintiffs further allege that the debased USDT was then used to buy cryptocommodities in order to create artificially inflated prices.

This conspiracy is alleged to have involved not only Bitfinex and Tether, which created and distributed USDT, but also the exchanges Bittrex and Poloniex, where the cryptocommodities were traded, and Crypto Capital, which used correspondent banking systems in the United States to conceal the conspiracy.

The attorneys representing the class include Philippe Selendy, Caitlin Halligan, Andrew Dunlap, Oscar Shine, and Mitchell Nobel from Selendy & Gay; Kyle Roche, Ted Normand, and Joseph Delich from Roche Freedman; and Todd Schneider and Matthew Weiler from Schneider Wallace.

## **Attorneys**

- Philippe Z. Selendy
- Andrew R. Dunlap
- Oscar Shine

## **Practices**

- Securities and Structured Finance
- Class Actions
- Appellate