

Demystifying Crypto Asset Recovery

Aidan Larkin, CEO & Co-founder, Asset Reality

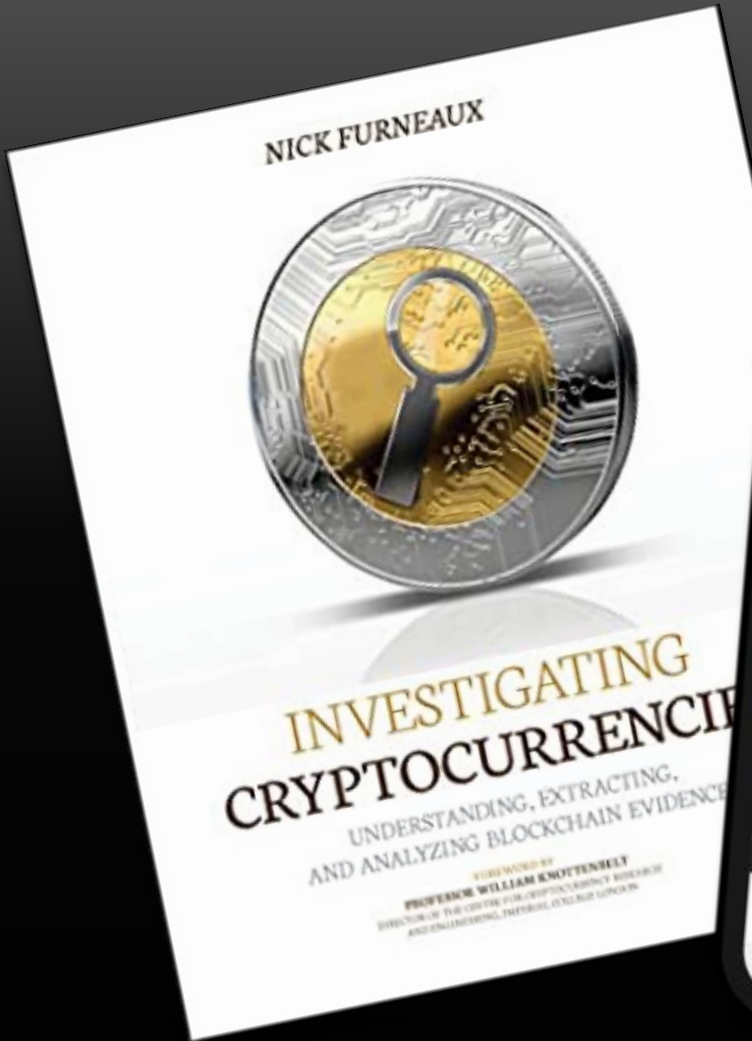




Aidan Larkin

Chief Executive Officer

- Seized Asset Manager
- United Nations Subject Matter Expert: Seized Assets



The world's first end-to-end crypto asset recovery solution



Investigating



Recovering



Managing



Selling



Who we work with



Global Asset Recovery

The uncomfortable reality is that we are losing the war in fighting financial crime.

99% of illicit funds remain in the hands of criminals according to Europol estimates¹.

<https://www.europol.europa.eu/newsroom/news/does-crime-still-pay>



“Police pounds and storage facilities are usually not geared to managing the volume and types of assets typically made subject to seizure orders”.

“Opportunities to increase the revenue derived from confiscated property are often not exploited due to a lack of focus, specialist skill and resources”.

<https://www.unodc.org/documents/treaties/UNCAC/WorkingGroups/workinggroup2/2018-June-6-7/V1803678e.pdf>





CRYPTOCURRENCY IS PROPERTY: NZ DECISION AFFIRMS UK'S STANCE

A New Zealand High Court has affirmed that cryptocurrencies are property, and can be treated as such, as cryptocurrency held by exchange Cryptopia Ltd ("Cryptopia") became the subject of a dispute following the exchange's liquidation (see **Ruscoe v Cryptopia Limited (in liquidation)** **CIV-2019-409-000544 [2020] NZHC 728**).

This bolsters the findings in the UK Jurisdiction Taskforce's **Legal Statement on Crypto Currencies and Smart Contracts** (the "Legal Statement"), as well as several UK decisions.

<https://brandsmiths.co.uk/expertise/crypto-assets/>

RECOVER

IDENTIFY

SECURE

REALISE

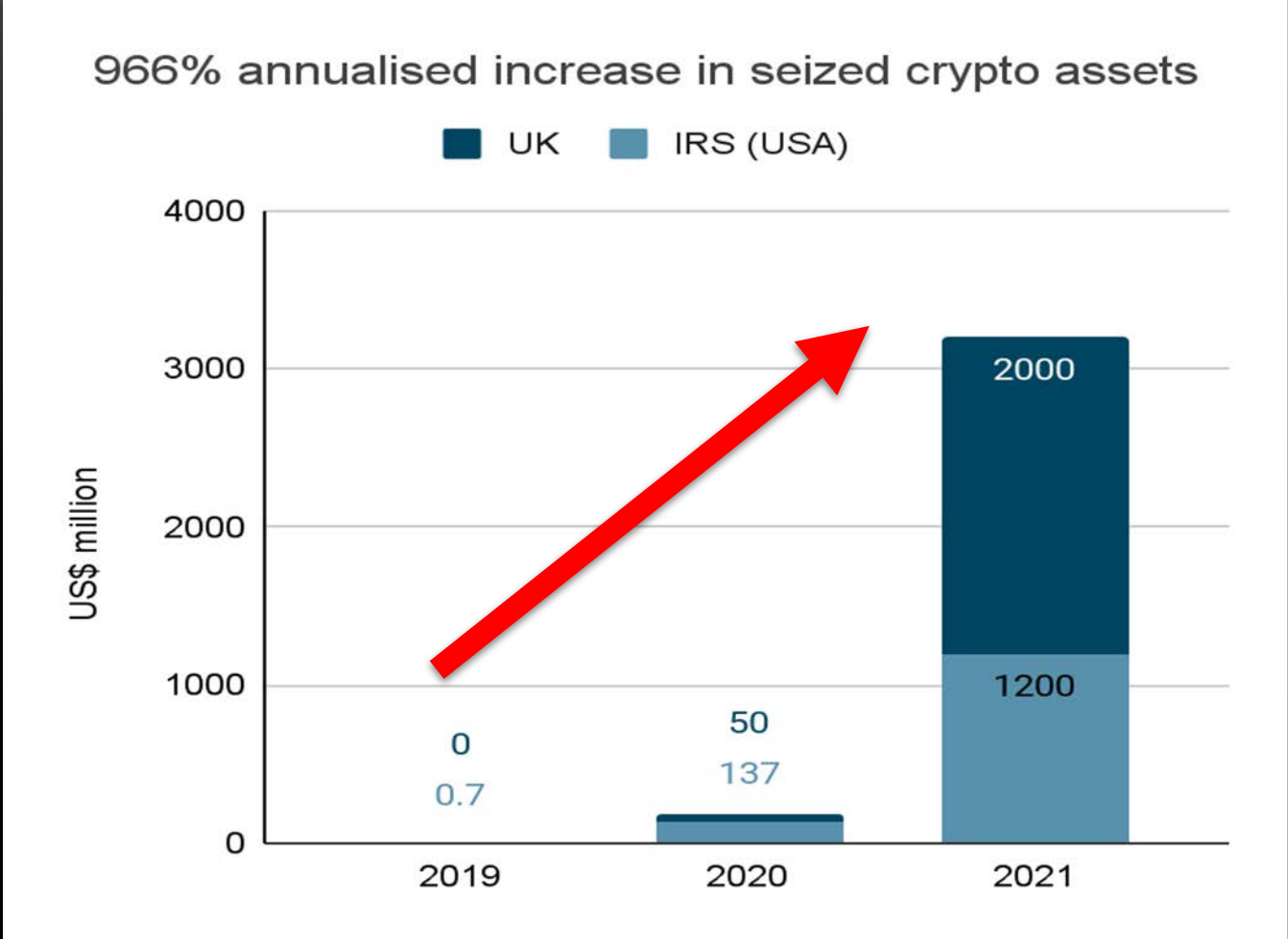
Dealing with seized assets

Supercars seized from Equatorial Guinea President's son sold for almost \$35 million at auction

Posted Mon 30 Sep 2019 at 10:43am

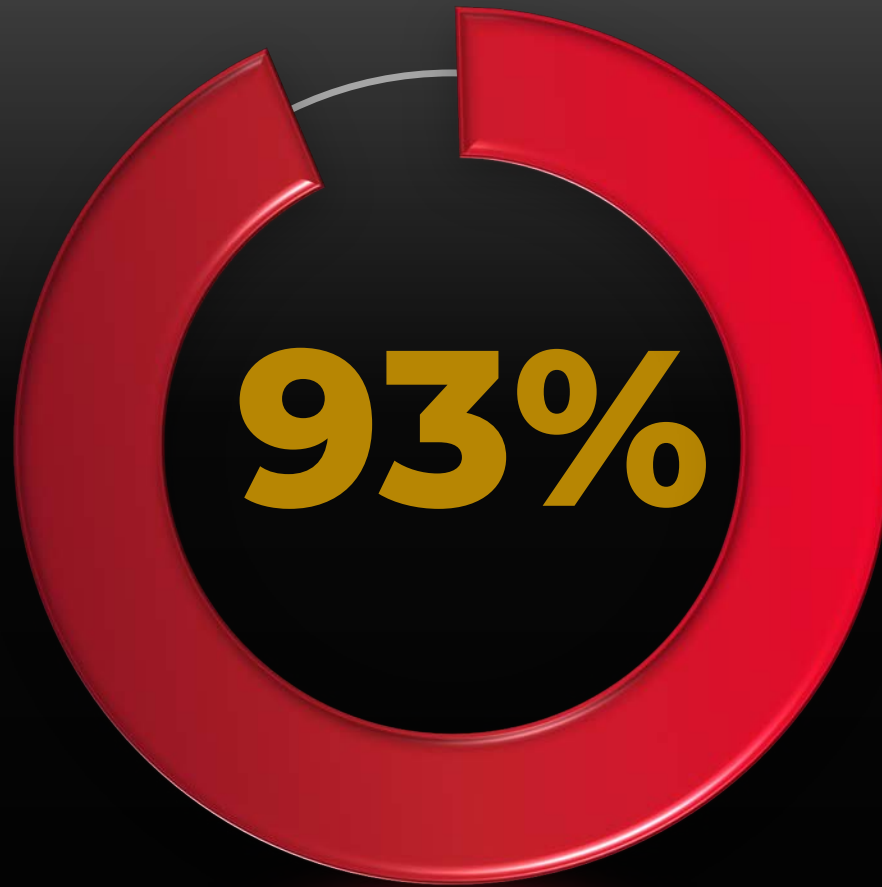


Economic Opportunities Post Pandemic



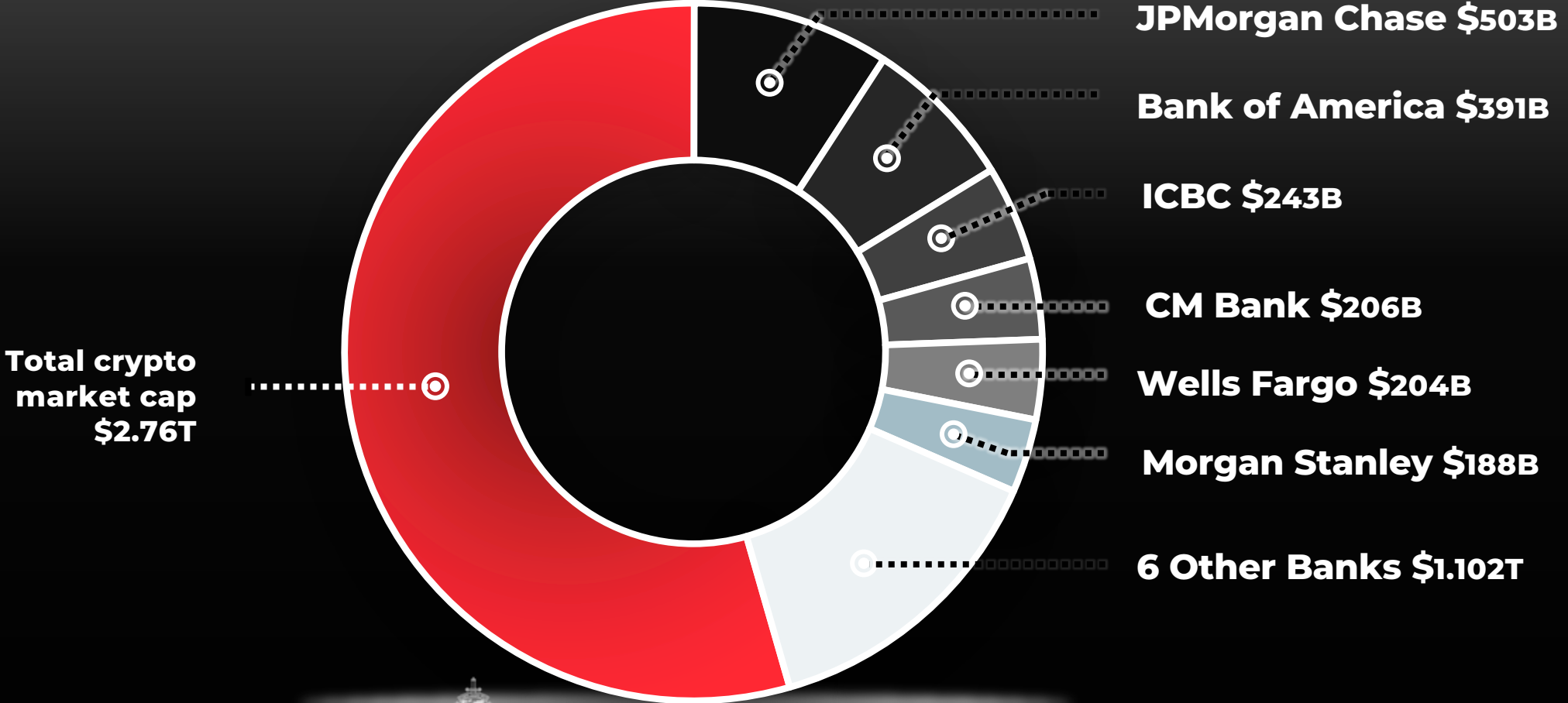
“In fiscal year 2019, we had about \$700,000 worth of crypto seizures. In 2020, it was up to \$137 million. And so far in 2021, we’re at \$1.2 billion,”

Jarod Koopman, director of the IRS’ cybercrime unit.



**of all IRS criminal
investigation
seizures was in
cryptocurrency**

Crypto market capitalisation vs. 12 largest banks



Crypto seizures & sales are increasing and present a new asset management problem...

Brazilian police seized \$28 million in bitcoin from an alleged Ponzi scheme in the country's largest crypto seizure ever

Australia to auction \$11.5 million confiscated bitcoins

Cashing in on bitcoins: French government to pocket \$30 mn from first-ever cryptocurrency auction

UK police seize record \$250 million haul of cryptocurrency in London



Seized Crypto:
A potential **\$100bn**
problem and
growing.....



Options for Managing Seized Crypto

Former U.S. Secret Service Agent Shaun Bridges Admits to Stealing 1600 Bitcoins Seized by the Federal Authorities

The tale of the underground Silk Road marketplace seems to never end, as U.S. prosecutors have recently charged former special agent Shaun Bridges with money laundering crimes. According to court documents uploaded to [Pacer](#), Bridges moved 1606.6488 [BTC](#) worth US\$6.6M at press time out of a federal account held on Bitstamp. At the time the stolen coins were only worth about a half of a million, and according to documents some of the funds moved to the two exchanges [BTC-e](#) and Bitfinex.

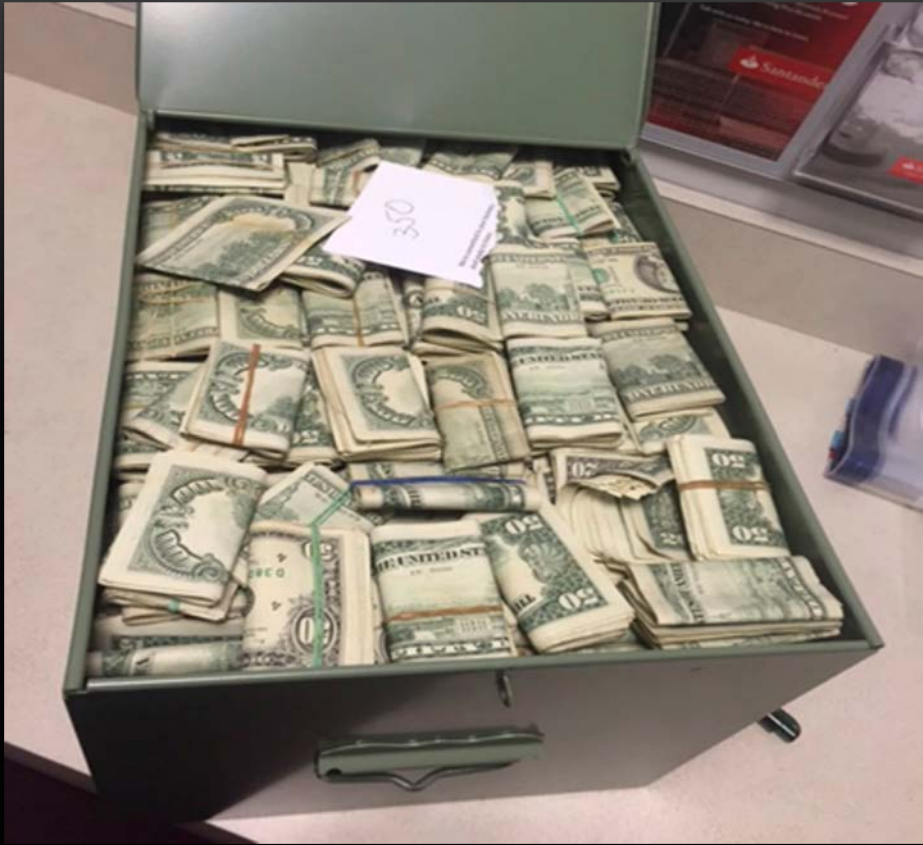


Options for Managing Seized Crypto

A Big Four Audit Firm Lost \$1 Million In Bitcoin. Victims Are Losing Patience

QuadrigaCX creditors are losing patience with their court-appointed law firm, demanding answers about the effort to recover their funds.

Understanding Risk



Public & Private Sector Partnership



Public & Private Sector Partnership

The screenshot shows the Coindesk website interface. At the top, there is a navigation bar with 'NEWS', 'LEARN', 'VIDEOS', 'RESEARCH', and 'EVENTS' (highlighted in yellow). Below the navigation bar is a market ticker showing prices and 24-hour changes for Bitcoin, Ethereum, XRP, Chainlink, and Stellar. The main article is titled 'US Marshals Service Seeks Firm to Custody and Sell Crypto Seized From Criminals' and is categorized under 'Policy & regulation'. The article includes a photo of a US Marshal in uniform holding a smartphone. The photo has 'MARSHAL' overlaid in large yellow letters. The article's publication date is June 9, 2020, and it was updated at 14:30 UTC. Social media sharing icons for Twitter, Facebook, and LinkedIn are visible at the bottom left of the article.

coindesk

NEWS ▾ LEARN ▾ VIDEOS RESEARCH **EVENTS** 🔍


Bitcoin 24h \$11,364.68 +0.19% Ethereum 24h \$373.26 +0.38% XRP 24h \$0.254660 -0.37% Chainlink 24h \$93.94 +1.09% Stellar 24h \$0.077425 -0.21% TOP ASSET

Story from **Policy & regulation** →

US Marshals Service Seeks Firm to Custody and Sell Crypto Seized From Criminals

Jun 9, 2020 at 08:01 UTC • Updated Jun 9, 2020 at 14:30 UTC

🐦 f in



Public & Private Sector Partnership

US Government To Auction 4.94 Bitcoin Worth Over \$300,000

CONTRIBUTOR

Namcios — [Bitcoin Magazine](#)

PUBLISHED

OCT 25, 2021 4:41PM EDT



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Q Search

Bloomberg

Sig

Crypto

Brokers Sought for \$78 Million of Bitcoin Seized in Finnish Drug Bust

By [Kati Pohjanpalo](#) and [Leo Laikola](#)

29 July 2021, 14:11 BST

Public & Private Sector Partnership

BITCOIN

**Belgium government to auction
off seized bitcoin later this
month**



Summary

- Public & Private Sector partnerships reduce risk and liability.
- Crypto is Property.
- Agencies can substantially increase asset recovery returns by focusing more on crypto and utilizing the tools available.

Questions?

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'21

