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

Bitcoin seized and recovered from dark web

Belfast Telegraph

Cryptocurrency expert Nick Furneaux (left) with Asset Seizure CEO Aidan Larkin (right)
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.

“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”.

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 ("Cryproia") 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/
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
“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

- JPMorgan Chase $503B
- Bank of America $391B
- ICBC $243B
- CM Bank $206B
- Wells Fargo $204B
- Morgan Stanley $188B
- 6 Other Banks $1.102T

Total crypto market cap $2.76T

https://www.independent.co.uk/life-style/gadgets-and-tech/crypto-market-cap-price-bitcoin-ethereum-2021-b1950565.html
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

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
Public & Private Sector Partnership

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

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
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?

- Aidan.larkin@assetreality.com