



BINANCE

$1+1 = 3$

The need for enhanced cooperation between law
enforcement and the private sector

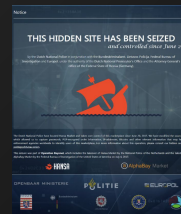
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About me



Dark Web Team

Dutch National Police



Dark Web Team

Wall Street Market



Europol



Investigations Team

Binance



Challenges for law enforcement

CSAM / Dark Web Marketplaces

- ◆ **Where is the criminal located / where did the crime take place?**
 - ◆ Before an investigation can be opened LE needs to know where the crime took place / where the criminal or victim is located.
 - ◆ In order to know where the criminal is located, an investigation has to be conducted.
- ◆ **Law enforcement is facing big data problems**



Challenges for law enforcement

Ransomware/large-scale hacks

- ◆ **Cryptocurrency moves fast**
 - ◆ Cyber criminals can transfer cryptocurrency globally, across multiple exchanges and services, quickly and easily
 - ◆ Law enforcement is often too late:
 - ◆ *Ransomware/hacking incident*
 - ◆ *LE investigates*
 - ◆ *LE sends law enforcement request to exchange*
 - ◆ *Funds have already been transferred to another wallet*
- ◆ **Limited Resources**
- ◆ **Difficult to keep up with developments (DeFi, smart contract hacks, NFT's, Mixers, Obfuscation Techniques)**



Challenges for law enforcement

Scams/Hacked users

- ◆ **One victim is being investigated while multiple victims in different regions or different countries have been impacted by the same suspects**
 - ◆ investigation initiated by LE in country A because of victim in country A, sends request to exchange
 - ◆ investigation initiated by LE in country B because of victim in country B, sends request to exchange
 - ◆ investigation initiated by LE in country C because of victim in country C, sends request to exchange
- ◆ **Victims report crime at an exchange**
 - ◆ Follow up investigation by law enforcement often difficult because of resources or insufficient information.



Investigations Team

Exchange

- ◆ **Internal risk / AML detection systems**
- ◆ **Transaction monitoring systems**
- ◆ **Externally reported incidents**
- ◆ **Law enforcement requests**
- ◆ **Proactive investigations**
- ◆ **Law enforcement outreach**
- ◆ **Private Industry partners**

Proposal



$$\textcircled{i} (LE + \text{Binance Logo}) = \text{Person in Jail}$$

Solutions for law enforcement

CSAM / Dark Web Marketplaces

- ◆ **Where is the criminal located / where did the crime take place?**
 - ◆ Transaction monitoring tooling identifies transactions linked to CSAM or other illicit activity
 - ◆ *Leads can be referred to LE*
 - ◆ *LE sends legal request to exchange*
 - ◆ *LE receives subscriber information (KYC, order information, etc.)*
 - ◆ *Custom follow-up actions possible (instead of automated blocking / off-boarding actions)*
 - ◆ More powerful when combined with scraped dark web data and data from CSAM investigations
 - ◆ *Direct sharing with exchange or via software vendors*
 - ◆ Possibilities for data analysis activities together with exchanges and cybersecurity companies



Solutions for law enforcement

Ransomware/large-scale hacks

- ◆ **Cryptocurrency moves fast**
 - ◆ New addresses used by criminals often aren't available in on chain analysis / monitoring software
 - ◆ LE has knowledge about 'unknown' addresses linked to criminal activities
 - ◆ Sharing with exchanges leads to improved detection, blacklisting and higher chances of seizing funds.
- ◆ **Joint investigations / cooperation with exchanges means less resources for LE**
- ◆ **Exchanges can help with training and capacity building**



Solutions for law enforcement

Scams/Hacked users

- ◆ **One victim is being investigated while multiple victims in different regions or different countries have been impacted by the same suspects**
 - ◆ Exchange has information about the 'bigger picture' which can help investigation
 - ◆ *Scams with similar MO's*
 - ◆ *Linked accounts*
 - ◆ *Exchange can coordinate with other countries*
- ◆ **Victims report crime at an exchange**
 - ◆ Exchange has additional data
 - ◆ *User logs*
 - ◆ *Device identifiers*
 - ◆ *Transaction information*



Additional benefits

- ◆ **Information sharing about hacking attempts, fraudulent activity, money laundering modus operandi, used devices, newly discovered trends, suspects and victims between LE, exchanges:**
 - ◆ Exchange can improve their defenses and detection algorithms
 - ◆ Law enforcement can better focus their investigations
 - ◆ Prevention & Awareness
 - ◆ Capacity building
- ◆ **Exchanges have (technical) capabilities which could help LE investigations / recovery of funds**
 - ◆ Blacklisting possibilities
 - ◆ Live monitoring
 - ◆ Locking accounts, contacting suspects to refund stolen funds
- ◆ **In case of high priority incidents, exchange can take immediate action**

Requirements



Trust

*Intensified public-private partnerships may contribute to the diminished success of cybercriminals. For example, **expertise and information sharing with financial institutions** can help to obtain data on cybercriminals and may help rapidly block their criminal proceeds.*

Europol, IOCTA 2021

Legal Framework

Open Discussion

Immediate action required to avoid Ransomware pandemic - INTERPOL

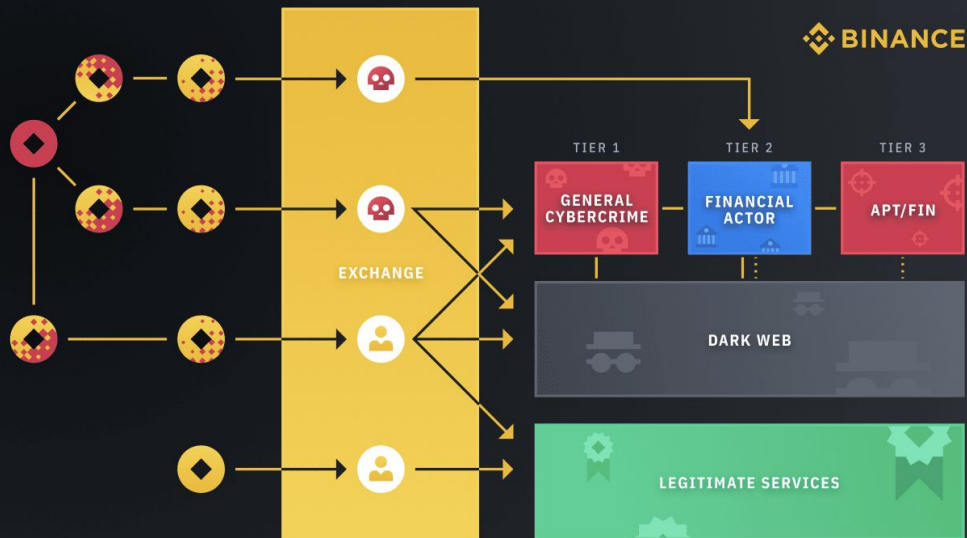
12 July 2021

[Home](#) > [News and Events](#) > [News](#) > [2021](#) > Immediate action required to avoid Ransomware pandemic - INTERPOL

Secretary General calls for global leadership commitment by police and partners

LYON, France – INTERPOL Secretary General Jürgen Stock has called for police agencies worldwide to form a global coalition with industry partners to prevent a potential ransomware pandemic.

FancyCat



Binance Helps Take Down Cybercriminal Ring Laundering \$500M in Ransomware Attacks

2021-06-24



Ongoing projects

- ◆ **CSAM leads: Law Enforcement**
- ◆ **CSAM addresses: Cybersecurity**
- ◆ **Ransomware: Law Enforcement**
- ◆ **Ransomware: Cybersecurity**
- ◆ **Task forces / Week of Actions Law Enforcement**
- ◆ **PP partnerships**

The cyber crime threat is increasing and criminals are getting more and more sophisticated. So let's work together and bridge the gap.





Questions?

