



This demonstrates that the English courts will act to protect foreign victims of fraud where there is sufficient connection to England and Wales. This is a significant development and brings the possibility of the recovery of funds lost to fraudulent investment schemes perpetrated by fraudsters based abroad.

In a second initiative emanating from the UK a new law The Economic Crime and Corporate Transparency Act 2023 amends the Proceeds of Crime Act to incorporate cryptocurrency. The new Act provides the National Crime Agency in the UK with powers to allow law enforcement to target and seize the illegally acquired cryptocurrency and if deemed necessary, it can be exchanged into fiat money before a forfeiture hearing. This means that not only is the cryptocurrency less easily spirited away by the fraudsters but that crypto assets are now recognised. Therefore, the criminal, civil, and the supplementary investigatory powers, such as regulatory authorities, will now include crypto assets in the same way they already do with cash and listed assets during their investigations. The new duty that the Act places on businesses to report suspect activities should considerably assist the law enforcement agencies.

The crypto companies, the exchanges in particular, together with the wallet providers could find themselves being held liable when their platforms are suspected of moving or storing crypto related to a crypto fraud. Furthermore, there is a lesser burden of proof in a civil action. Europol and Eurojust, two European Union agencies for law enforcement now collaborate to investigate online investment fraud. The Financial Action Task Force (FATF) is a global watchdog relating to money laundering and terrorist financing and all other infringements, with a stated purpose of depriving criminals of illicit assets gained through the medium of fraud tirelessly attempts to target wrongdoers globally. It should be noted that 200 jurisdictions have are committed to executing the FATF standards and recommendations in relation to financial wrongdoing. The impact and level of losses is impossible to calculate, just one agency the Federal Trade Commission (FTC) alleges over one billion dollars were lost in the first five months of 2022, this only includes information provided by victims who are prepared to come forward, many do not.

In conclusion, all the law enforcement, civil agencies and regulatory authorities should attempt to act cohesively worldwide with concerted vigorous effort to bring down the levels of financial fraud. There is one encouraging aspect, in that the England & Wales courts clearly recognises that it is of vital importance to act decisively towards the perpetrators of crypto fraud.

***Both game changing cases were dealt directly by Joanna.***



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