



## **Leveraging the U.S. Legal System in Brazil to Increase the Chances of Recovery from Fraud**

**The domestic legal system may not be the best path to recover assets for Brazilian victims of large-scale and sophisticated fraud. Instead, they will likely see greater and quicker success by leveraging cross-border tools available in the U.S., as we explain below.**

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Victims of large-scale and sophisticated fraud such as corporate embezzlement or the theft of digital assets can increase their chances of recovery if they leverage the U.S. system. There is growing interest among U.S. enforcement agencies in targeting cross border crime, particularly in Latin America.

Frauds that occur in Brazil may still have violated U.S. law. These include crimes such as money laundering or corruption, which if reported to the U.S. Department of Justice (DOJ) can enable authorities to use their broad powers to freeze bank accounts. There has also been recent precedent in the U.S. where victims of corruption received restitution.

Victims can also pursue a civil path to recovery: Section 1782 allows parties of foreign proceedings to access powerful U.S. discovery tools. Victims with a Brazilian court judgment can then obtain recognition in the U.S. and access post-judgment discovery, and in some states – including New York and Florida, where Brazilian debtors often have assets – recognition can be relatively easy.

In addition, creative use of the U.S. insolvency regime can also form part of a worldwide enforcement campaign, including through Chapter 15 proceedings, which allow recognition of foreign insolvency proceedings. The U.S. allows victims to pursue less traditional paths to recovery that may be speedier and more effective.

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### **About Kobre & Kim**

Kobre & Kim is a global Am Law 200 law firm that focuses on cross-border disputes and investigations, often involving fraud and misconduct.

Our capabilities include:

- Our unique position to help clients in Brazil through our team in São Paulo that routinely acts in complex, cross-border asset tracing and recovery.

- Our team of former U.S. and other government investigative lawyers having deep experience tracing, freezing and recovery misappropriated assets hidden in cross-border and offshore structures.

- Our onshore and offshore lawyers – including an integrated group of U.S. litigators, offshore lawyers qualified in key jurisdictions, Hong Kong solicitors, and English barristers and solicitors – have been successful in tracing and freezing assets through both judicial and non-judicial means to repatriate funds to victims.