

Insights



Benjamin Sauter Explains Precedent-Setting Digital Currency Recovery Case

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A precedent-setting case has shown how recovering stolen digital assets may now be even easier than traditional asset recovery. Kobre & Kim's Benjamin Sauter, who took part in that case, spoke with *Forkast News* about the case's impact on the wider industry.

In the case, Dooga, a UK digital currency exchange then known as Cubits, lost US \$32 million in a cryptocurrency fraud. However, Sauter and his team were able to get Dooga's UK bankruptcy proceeding recognized in the U.S. through Chapter 15, setting a precedent for the recovery of digital assets in foreign jurisdictions, all the while showing how much quicker it was to trace and recover digital assets compared with traditional assets.

As Sauter explained, with traditional assets, it may take months to "unwind a series of transactions" through subpoenas to various banks. For digital assets using blockchain, however, the transactions are displayed in real time for anyone to view. Blockchain forensics has also advanced to a degree where Bitcoin mixers, where Bitcoin are pooled together to hide transactions, may no longer work. With easier tracing, assets can be recovered with a single subpoena to the endpoint of a chain, namely an exchange with proper compliance procedures.

[Click here to watch and read the full interview.](#)