

Insights



Calvin Koo on Hong Kong Courts' Use of Long-Standing Legal Tools to Cutting-Edge Technologies

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Kobre & Kim's Calvin Koo has published an article in *Hong Kong Lawyer*, where he details Hong Kong courts' recent application of long-standing legal concepts to new technologies like cryptocurrency and smartphones. This post is especially topical, given the city's Court of Appeals' [recent decision](#) to grant broader powers to search the electronic devices (without a warrant) of arrested individuals.

It often takes years for legislation and case law to directly address novel technologies, but Koo highlights two recent cases in the High Court of the Hong Kong Special Administrative Region that have implications on both victims and alleged perpetrators beyond Hong Kong's borders.

In the first case, a *Mareva* injunction was granted to freeze bitcoins in a Hong Kong-based digital wallet, potentially signaling common law's recognition of digital currency as property. It also adds injunctive relief to the toolkit available to victims of digital currency fraud, a toolkit that already includes tracing transactions through the nature of distributed ledger technology and the wide adaptation of know-your-client procedures by many exchanges.

In the second case, a court allowed the Securities and Futures Commission (SFC) to access smartphones and compel the disclosure of passwords. The court, Koo writes, used traditional approaches to statutory construction to reach this conclusion. The judgment has wide-reaching implications, opening up the contents of smartphones not just to the SFC, but also foreign authorities who can request such information from the SFC. Koo writes that defendants therefore need a strong understanding of their rights in all the relevant jurisdictions at an early stage of an investigation.

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