

Insights



Daniel Saval, Andrew Stafford KC, Evelyn Sheehan, Amanda Tuminelli and Timothy de Swardt Explore Crypto Recovery from Insolvent Companies

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In recent years, the number of major cryptocurrency exchanges and platforms placed into insolvency proceedings has risen as they have fallen victim to hacks or other fraudulent schemes. Insolvency representatives may think that tracing and recovering digital assets would be more difficult than tracing “hard” assets, but because most crypto asset transactions occur on the public blockchain, for those with technical know-how and a comprehensive understanding of international legal tools, it is actually easier to track crypto fund flows and maximize prospects of recovery. Daniel Saval, Andrew Stafford KC, Evelyn Sheehan, Amanda Tuminelli and Timothy de Swardt wrote in *Forkast* about how recovering crypto assets from insolvent companies may be easier than one might think.

Tracing and recovering stolen or misappropriated crypto assets presents a host of challenges and following the standard asset recovery playbook in this context may not yield fruitful results. However, creative and resourceful use of existing legal tools and remedies, available under both insolvency and non-insolvency law ranging from the UNCITRAL Model Law and offshore insolvency remedies to government forfeiture, can create a pathway to realizing recoveries for creditors and victims.

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