



Insights

Nicholas Surmacz Unpacks the New Kleptocracy Asset Recovery Rewards Act in Law360

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As a new Attorney General is set to take the helm under the Biden administration, newly enacted laws provide the U.S. Department of Justice with new tools to fight foreign corruption. Kobre & Kim's Nicholas Surmacz sat down with *Law360* to analyze one of those tools.

The recent National Defense Authorization Act includes the Kleptocracy Asset Recovery Rewards Act, which establishes a whistleblower reward program for those who help identify and recover foreign corruption-linked assets stored in the U.S. Surmacz explained that this fixes a gap in pre-existing whistleblower programs, which only pertained to companies registered with the U.S. Securities and Exchange Commission.

The act covers a broad range of assets, from bribes themselves and proceeds of corruption to money converted into U.S.-based property. Surmacz noted that while the US \$5 million award is relatively low, the bar for receiving a reward is also "a much more lax standard," requiring only that property be seized rather than a conviction. Still, the framework for how to apportion awards is "very discretionary," leaving open the question of how generous the government may be.

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